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Co-Counsel for Plaintiff, The Official Committee of
 Unsecured Creditors

**UNITED STATES DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA
 (SAN FRANCISCO DIVISION)**

In re: Bankruptcy Case No. 05-14659
 THE LEGACY ESTATE GROUP, LLC, a
 California Limited Liability Company, formerly
 doing business as FREEMARK ABBEY WINERY,
 BYRON VINEYARD & WINERY, AND
 ARROWOOD VINEYARD & WINERY,
 Debtor.

Adv. Proc. No. 06-01173
 OFFICIAL COMMITTEE OF UNSECURED
 CREDITORS OF THE LEGACY ESTATE
 GROUP, LLC,
 Plaintiff,

v.

JOHN M. BRYAN, JOHN M. AND FLORENCE
 E. BRYAN TRUST, J.M. BRYAN FAMILY
 TRUST, KULWINDER SIDHU, DEVINDER
 SIDHU, PACIFIC PARAGON INVESTMENT
 FUND LTD., a British Columbia company,
 HARRY CHEW, and AIC CAPITAL PARTNERS,
 LLC, a California limited liability company,
 Defendants.

D. Ct. Case No: 3:07-cv-02943-PJH

**DECLARATION OF HANNAH L.
 BLUMENSTIEL IN SUPPORT OF
 OFFICIAL COMMITTEE OF
 UNSECURED CREDITORS'
 OPPOSITION TO THE BRYAN
 DEFENDANTS' MOTION TO
 WITHDRAW REFERENCE**

[NO HEARING SCHEDULED]

1 JOHN M. BRYAN, JOHN M. AND FLORENCE
2 E. BRYAN TRUST, J.M. BRYAN FAMILY
TRUST,

3 Defendants/Cross-Claimants,

4 v.

5 KULWINDER SIDHU, et al.,

6 Defendants/Cross-Defendants.

1 I, Hannah L. Blumenstiel, declare:

2 1. I am an attorney at law, duly licensed to practice before all courts of the State of
3 California. I am a member in good standing of the bar of this Court. I am an Associate with the law
4 firm of Winston & Strawn LLP, Co-Counsel of record to the Plaintiff, the Official Committee of
5 Unsecured Creditors appointed in the Chapter 11 bankruptcy case of The Legacy Estate Group LLC,
6 and I make this Declaration in that capacity. I have personal knowledge of the facts set forth in this
7 Declaration and, if called upon to do so, could and would testify thereto truthfully and competently.

8 2. Attached hereto as Exhibit A is a true and correct copy of the March 15, 2007 Order
9 Pursuant to Bankruptcy Rule 9019 Authorizing Settlement with Connaught Capital Partners LLC,
10 entered in In re Legacy Estate Group, LLC, Ch. 11 Case No. 05-14659 AJ11 (Bankr. N.D. Cal.) (the
11 "Legacy Case").

12 3. Attached hereto as Exhibit B is a true and correct copy of the March 28, 2007
13 Memorandum re: Motion to Certify Case to District Court for Jury Trial, entered in Committee v.
14 Bryan, et al. (In re Legacy Estate Group, LLC), Adv. Proc. No. 06-01173 (Bankr. N.D. Cal.) (the
15 "Legacy Adversary").

16 4. Attached hereto as Exhibit C is a true and correct copy of the June 27, 2007 Order
17 Denying Motion to Certify to District Court and Striking Demand for Jury Trial as to Defendants
18 John M. Bryan and the John M. Bryan Trust, entered in the Legacy Adversary.

19 5. Attached hereto as Exhibit D is a true and correct copy of a portion of the electronic
20 docket register for the Legacy Case, which shows that, following a hearing held on December 22,
21 2006, the Bankruptcy Court denied the Motion to Compel Arbitration filed by Defendant Bryan.

22 6. Attached hereto as Exhibit E is a true and correct copy of the October 10, 2006 Order
23 Denying Motion to Convert or Appoint Trustee, entered in the Legacy Case.

24 7. Attached hereto as Exhibit F is a true and correct copy of the March 14, 2007 Order
25 Confirming Joint Plan of Liquidation Dated October 13, 2006 (and overruling in part Defendant
26 Bryan's objection to confirmation), entered in the Legacy Case.

27 8. Attached hereto as Exhibit G is a true and correct copy of Defendant Bryan's
28 Objection to the settlement between the Legacy bankruptcy estate and the bankruptcy estate of

1 Legacy's parent, Connaught Capital Partners, LLC. Defendant Bryan's objection was overruled by
2 the Bankruptcy Court's order approving the compromise, a true and correct copy of which is
3 attached hereto as Exhibit A.

4 9. Attached hereto as Exhibit H is a true and correct copy of the November 17, 2006
5 Order Authorizing the Official Committee of Unsecured Creditors to Prosecute Certain Claims on
6 Behalf of the Estate, entered in the Legacy Case.

7 10. Attached hereto as Exhibit I is a true and correct copy of the October 10, 2006
8 Memorandum on Motion to Convert, entered in the Legacy Case.

9 11. Attached hereto as Exhibit J is a true and correct copy of an excerpt from the
10 Transcript of a hearing held in the Legacy Case on December 8, 2006 (*see* 14:20-23).

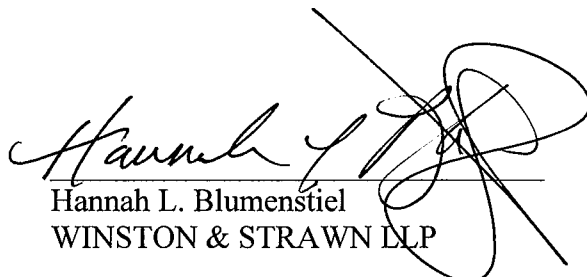
11 12. Attached hereto as Exhibit K is a true and correct copy of an excerpt from the
12 Transcript of a hearing held in the Legacy Case on February 23, 2007 (*see* 21:15-25; 22:2-4; 25:18-
13 25; and 26:1-6).

14 13. Attached hereto as Exhibit L is a true and correct copy of an excerpt from the
15 Transcript of a hearing held in the Legacy Case on March 14, 2007 (*see* 12:15-19).

16 14. Attached hereto as Exhibit M is a true and correct copy of the Declaration of John H.
17 MacConaghy in Support of Plaintiff's Opposition to Bryan Defendants' Motion to Certify Proceeding
18 to District Court for Trial by Jury Pursuant to Bankruptcy Local Rule 9015-2 (with Exhibits).

19 I declare under penalty of perjury under the laws of the United States and of the State of
20 California that the foregoing is true and correct.

21
22 DATED: July 13, 2007

23
24 
Hannah L. Blumenstiel
WINSTON & STRAWN LLP

25 SF:177737.1

26
27 Co-Counsel for the Official Committee
28 of Unsecured Creditors

PROOF OF SERVICE

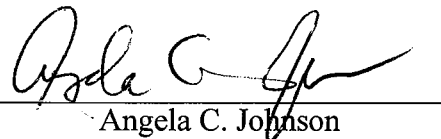
I, Angela C. Johnson, certify and declare as follows:

I am over the age of eighteen years and not a party to this action. I am an employee of Winston & Strawn LLP, and my business address is 101 California Street, San Francisco, California, 94111. On July 13, 2007, I served a true and correct copy of:

**DECLARATION OF HANNAH L. BLUMENSTIEL IN SUPPORT OF OFFICIAL
COMMITTEE OF UNSECURED CREDITORS' OPPOSITION TO THE BRYAN
DEFENDANTS' MOTION TO WITHDRAW REFERENCE**

- ☐ by first class mail. I am familiar with the business practice at my place of business for collection and processing of correspondence for mailing with the United States Postal Service. Correspondence so collected and processed is deposited with the United States Postal Service that same day in the ordinary course of business. The document(s) was (were) placed for deposit in the United States Postal Service in a sealed envelope(s), with postage fully prepaid, addressed as set forth on the attached service list(s).
- ☐ by facsimile transmission to the parties and facsimile number(s) set forth on the attached service list. I sent such document from facsimile machine 415-591-1400. I certify that said transmission was completed and that all pages were received and that a report was generated by facsimile machine 415-591-1400 which confirms said transmission and receipt.
- ☒ by overnight delivery by enclosing a true and correct copy of said document(s) in a Federal Express envelope(s) addressed as set forth on the attached service list. The envelope(s) was (were) sealed and deposited with Federal Express that same day in the ordinary course of business at San Francisco, California.
- ☐ by messenger by handing a copy of said document(s) to _____, for personal service by its agent to the person(s) at the address(es) set forth on the attached service list.
- ☐ by personally delivering the document(s) to the person(s) at the address(es) set forth on the attached service list.
- ☐ by email transmission to the individuals and email addresses as set forth on the attached service list. I caused the document(s) to be transmitted via email. I am readily familiar with my firm's practice for email transmissions. In sending the above described document by email, I followed the firm's ordinary business practices.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct, and that this declaration was executed at San Francisco, California, on July 13, 2007.


Angela C. Johnson

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|--|--|
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| Edward G. Myrtle, Esq. Office of the United States Trustee 235 Pine Street, Suite 700 San Francisco, CA 94104 | Elmer Dean Martin, Esq. Law Offices of Elmer Dean Martin 22632 Golden Springs Drive Diamond Bar, CA 91765 |
| Sean A. O'Keefe, Esq. Winthrop Couchot 660 Newport Center Drive, Suite 400 Newport Beach, CA 92660 | |

EXHIBIT A

EXHIBIT A

EXHIBIT A

Entered on Docket

March 15, 2007

GLORIA L. FRANKLIN, CLERK
U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

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Special Counsel for Debtor

UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF CALIFORNIA

SANTA ROSA BRANCH

In re:

THE LEGACY ESTATE GROUP LLC, A
CALIFORNIA LIMITED LIABILITY
COMPANY, DOING BUSINESS AS
FREEMARK ABBEY WINERY, BYRON
VINEYARD & WINERY, AND ARROWOOD
VINEYARDS & WINERY,

Debtor.

Case No. 05-14659 AJ11

Chapter 11

**ORDER PURSUANT TO BANKRUPTCY
RULE 9019 AUTHORIZING
SETTLEMENT WITH CONNAUGHT
CAPITAL PARTNERS LLC**

The Joint Motion of the Official Committee of Unsecured Creditors and The Legacy Estate Group LLC for Order Authorizing Settlement with Connaught Capital Partners LLC Pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Motion"), filed by the Official Committee of Unsecured Creditors (the "Committee") and The Legacy Estate Group LLC, debtor and debtor in possession herein (the "Debtor"), having come on for hearing before this court;

1 appearances having been made as noted in the Court's record; the Court having reviewed the Motion
2 and accompanying papers and the other pleadings and papers on file in this case, and having
3 determined that the relief requested in the Motion is in the best interests of the Debtor's estate and
4 creditors and other parties in interest; the Court having considered and overruled the objection to the
5 Motion filed by John Bryan for the reasons stated on the record at the hearing; the Court finding that
6 it has jurisdiction over this matter pursuant to sections 157 and 1334 of Title 28 of the United States
7 Code and B.L.R. 5011-1, that adequate notice has been given under the circumstances, and good and
8 sufficient cause appearing therefor, it is hereby:

9 ORDERED that the Motion is in all respects GRANTED; and it is further

10 ORDERED that the Debtor is authorized to enter into the Settlement Agreement (as
11 defined in the Motion), and that the Debtor and the Committee are authorized to perform any and all
12 obligations contemplated thereby promptly upon entry of this Order; and it is further

13 ORDERED that this Court retains jurisdiction with respect to all matters arising from
14 or related to the implementation of this Order or the provisions of the Settlement Agreement.

15
16 Dated: March 15, 2007

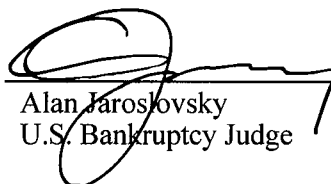

Alan Jaroslovsky
U.S. Bankruptcy Judge

EXHIBIT B

EXHIBIT B

EXHIBIT B

Entered on Docket

March 28, 2007

GLORIA L. FRANKLIN, CLERK
U.S BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

In re

THE LEGACY ESTATE GROUP,

No. 05-14659

Debtor(s).

OFFICIAL CREDITORS COMMITTEE,

Plaintiff(s),

v.

A.P. No. 06-1173

JOHN M. BRYAN, et al.,

Defendant(s).

Memorandum re Motion to Certify Case to District Court for Jury Trial

Plaintiff originally demanded a jury trial in this adversary proceeding, but withdrew its demand. Three defendants have asked the court to transfer the case to district court for jury trial, even though at least two of them, John M. Bryan and the J. M. Bryan Family Trust, have filed proofs of claim. The filing of a proof of claim waives the right to a jury. *Granfinanciera, S.A. v. Nordberg*, 492 U.S. 33, 59 n.14, 109 S.Ct. 2782, 106 L.Ed.2d 26 (1989).

Contrary to defendants' arguments, Rule 38(d) of the Federal Rules of Civil Procedure does not bar

1 the withdrawal of a jury demand by plaintiff where the defendant did not rely on the demand. *Fuller v. City*
2 *of Oakland*, 47 F.3d 1522, 1531 (9th Cir. 1995); *White v. McGinnis*, 903 F.2d 699, 701 (9th Cir. 1990);
3 *Reid Bros. Logging Co. v. Kitchikan Pulp Co.*, 699 F.2d 1292, 1304 (9th Cir. 1983). Moreover, a party
4 has no standing to object to waiver of a right by another party unless it is aggrieved by the waiver. Since
5 Bryan and the J. M. Bryan Family Trust have waived the right to a jury, they have no standing to object to
6 plaintiff's waiver of its right to a jury trial.

7 The rights of the third defendant, the John M. and Florence E. Bryan Trust, are more problematical.
8 This defendant has not filed a claim in its own name. However, it appears that its alter ego may have filed a
9 proof of claim or that it is close enough in identity to be bound by the jury waiver of other entities. Resolution
10 of this matter requires an evidentiary hearing and further briefing.

11 For the foregoing reasons, the motion will be denied with prejudice as to defendants John M. Bryan
12 and the J. M. Bryan Family Trust. As to the John M. and Florence E. Bryan Trust, the parties shall arrange
13 an evidentiary hearing and submit supplemental briefs. In the event that the court determines that this
14 defendant is entitled to a jury trial, the claims against it will be severed and only those severed claims will be
15 transferred to the district court; the case will proceed in this court as to defendants who have waived their
16 right to a jury.

17 Counsel for plaintiff shall submit an appropriate form of order.

18
19 Dated: March 28, 2007


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22 Alan Jaroslovsky
23 U.S. Bankruptcy Judge
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EXHIBIT C

EXHIBIT C

EXHIBIT C

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101 California Street
San Francisco, CA 94111-5894

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Email: macclaw@macbarlaw.com

Co-Counsel for Plaintiff, The Official Committee of
Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION**

In re:

THE LEGACY ESTATE GROUP, LLC, a
California Limited Liability Company, formerly
doing business as FREEMARK ABBEY WINERY,
BYRON VINEYARD & WINERY, AND
ARROWOOD VINEYARD & WINERY,

Debtor.

OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF THE LEGACY ESTATE
GROUP, LLC,

Plaintiff,

v.

JOHN M. BRYAN, JOHN M. AND FLORENCE
E. BRYAN TRUST, J.M. BRYAN FAMILY
TRUST, KULWINDER SIDHU, DEVINDER
SIDHU, PACIFIC PARAGON INVESTMENT
FUND LTD., a British Columbia company,
HARRY CHEW, and AIC CAPITAL PARTNERS,
LLC, a California limited liability company,

Defendants.

Case No. 05-14659

Chapter 11

Adversary Proceeding No. 06-01173

**ORDER DENYING MOTION TO
CERTIFY TO DISTRICT COURT AND
STRIKING DEMAND FOR JURY TRIAL
AS TO DEFENDANTS JOHN M. BRYAN
AND THE JOHN M. BRYAN TRUST**

Date: March 14, 2007

Time: 10:00 a.m.

Place: 99 South "E" Street
Santa Rosa, CA 95404

Judge: Honorable Alan Jaroslovsky

1 JOHN M. BRYAN, JOHN M. AND FLORENCE
2 E. BRYAN TRUST, J.M. BRYAN FAMILY
TRUST,

3 Defendants/Cross-Claimants,

4 v.

5 KULWINDER SIDHU, et al.,

6 Defendants/Cross-Defendants.

7
8 For the reasons stated in the court's Memorandum of March 28, 2007, it is

9 ORDERED that the Motion to Certify Proceeding to District Court for Trial by Jury
10 Pursuant to Bankruptcy Local Rule 9015-2 is denied with prejudice as to Defendants John M. Bryan
11 and the J.M. Bryan Family Trust. It is further ORDERED that the demands for jury trial asserted by
12 Defendants John M. Bryan and the J.M. Bryan Family Trust with respect to the Committee's
13 amended complaint are hereby STRICKEN.

14 Determination of the Motion with respect to Defendant the John M. and Florence E.
15 Bryan Trust is reserved pending further proceedings and further order of the Court.

16
17 Dated: June 27, 2007

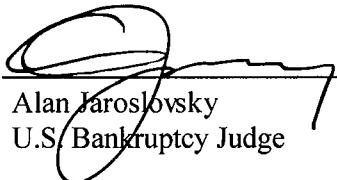

18 Alan Jaroslovsky
19 U.S. Bankruptcy Judge
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EXHIBIT D

EXHIBIT D

EXHIBIT D

**U.S. Bankruptcy Court
Northern District of California (Santa Rosa)
Bankruptcy Petition #: 05-14659**

Assigned to: Judge Alan Jaroslovsky
Chapter 11
Voluntary
Asset

Date Filed: 11/18/2005

Debtor

The Legacy Estate Group LLC
P.O. Box 410
St. Helena, CA 94574
Tax id: 94-3387985

aka

Freemark Abbey Winery

aka

Byron Vineyard & Winery

aka

Arrowood Vineyards & Winery

represented by **Adam A. Lewis**

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represented by **Kulwinder S. Sidhu**
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Creditor Committee
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Attn.: Thomas L. Price
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Creditor Committee

Tonnellerie Boute
Attn.: Manuel Martinez
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Rodeo, CA 94572

Creditor Committee

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Attn.: Jocelyne Hildebrand
P.O. Box 4559
Petaluma, CA 94955

Creditor Committee

Heritage Paper Co.
Attn.: John Tatum
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Livermore, CA 94550

Creditor Committee

World Cooperage Co., Inc.
Attn.: David Waugh
P.O. Box 1659
Lebanon, MO 65536

Creditor Committee

Universal Specialties, Inc.
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Vernon BC Canada V1T 8T2

Creditor Committee

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Oakland, CA 94603

Creditor Committee

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Worcester, MA 01615

Creditor Committee

Official Committee Of Unsecured Creditors
c/o David A. Honig, Esq.
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represented by **Brian Y. Lee**

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TERMINATED: 07/13/2006

| Filing Date | # | Docket Text |
|-------------|------------|---|
| 12/22/2006 | | Hearing Held (RE: related document(s) <u>681</u> Motion to Correct Procedural Defects and to Vacate or Defer Trial Filed by Creditors John Bryan, Red Barn Ranch, LLC (After Hearing; Motion denied without prejudice) (Appearances: Michael St. James, John MacConaghy, David Honig and by telephone: John Murry) (ta,) (Entered: 12/22/2006) |
| 12/22/2006 | | Hearing Held (RE: related document(s) <u>683</u> Motion to Compel Arbitration Filed by Creditors John Bryan, Red Barn Ranch, LLC (After Hearing; Motion denied) (Appearances: Michael St. James, John MacConaghy, David Honig and by telephone: John Murry) (ta,) (Entered: 12/22/2006) |
| 12/22/2006 | <u>739</u> | Transcript, Date of Hearing: 12-8-061. <i>Motion for 2004 Examination; 2. Motion to Defer Trial; 3. Motion to Compel Arbitration.</i> (McCall, Jo) (Entered: 12/22/2006) |
| 12/22/2006 | | Hearing Continued (RE: related document(s) <u>645</u> Objection to Claim |

| | | |
|--|--|---|
| | | <p>No. 122 of John Bryan and Red Barn Ranch, LLC Filed by Official Committee Of Unsecured Creditors, <u>658</u> Objection to Claim No. 191 of Harry Chew Filed by Official Committee Of Unsecured Creditors, <u>656</u> Objection to Claim No. 192 of Venturex Global Investment Corp. Filed by Official Committee Of Unsecured Creditors, <u>657</u> Objection to Claim No. 190 of Bi-Optic Ventures Inc. Filed by Official Committee Of Unsecured Creditors, Trial to be held on 2/1/2007 at 9:00 AM Santa Rosa Courtroom; No discovery cutoff date set. Declarations to be filed 7 days prior to hearing) (Appearances: John MacConaghy, David Honig and by telephone: Elmer Martin and John Murry) (ta,) (Entered: 12/28/2006)</p> |
|--|--|---|

| PACER Service Center | | | |
|------------------------|---------------|-------------------------|---|
| Transaction Receipt | | | |
| 07/12/2007 15:35:49 | | | |
| PACER Login: | jm0199 | Client Code: | |
| Description: | Docket Report | Search Criteria: | 05-14659 Fil or Ent: filed From: 12/22/2006 To: 12/22/2006 Doc From: 0 Doc To: 99999999 Term: included Format: HTML |
| Billable Pages: | 3 | Cost: | 0.24 |

EXHIBIT E

EXHIBIT E

EXHIBIT E

Entered on Docket

October 10, 2006

GLORIA L. FRANKLIN, CLERK
U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

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2 ROBERT A. FRANKLIN (091653)
3 DORIS A. KAELIN (162069)
4 MATTHEW A. TAYLOR (236410)
5 MURRAY & MURRAY
6 A Professional Corporation
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email: mtaylor@murraylaw.com

9 Attorneys for Debtor

10 UNITED STATES BANKRUPTCY COURT

11 NORTHERN DISTRICT OF CALIFORNIA

12 SANTA ROSA DIVISION

13 In re:

14 THE LEGACY ESTATE GROUP LLC, A CALIFORNIA
15 LIMITED LIABILITY COMPANY, DOING BUSINESS AS
16 FREEMARK ABBEY WINERY, BYRON VINEYARD
& WINERY, AND ARROWOOD VINEYARDS &
WINERY,

17 Debtor.

18 P.O. Box 410
19 St. Helena, CA 94574

20 Employer Tax I.D. No.: 94-3387985

) Case 05-14659-AJ-11

) Chapter 11

) Date: September 29, 2006

) Time: 10:00 o'clock a.m.

) Place: 99 South "E" Street
Santa Rosa, CA 95404

) Judge: Honorable Alan Jaroslovsky

21 **ORDER DENYING MOTION TO CONVERT OR APPOINT A TRUSTEE**

22 The MOTION TO CONVERT OR APPOINT A TRUSTEE (the "Motion") of John M. Bryan
23 having come on for hearing before this Court on September 29, 2006 at 10:00 o'clock a.m.; The
24 Legacy Estate Group LLC, the debtor and debtor in possession herein, having appeared by and
25 through its counsel Murray & Murray, A Professional Corporation and John Walshe Murray; John
26 M. Bryan having appeared by and through his counsel St. James Law, P.C. and Michael St. James;
27 the Official Committee of Unsecured Creditors having appeared by and through its co-counsel
28 Winston & Strawn LLP and David A. Honig, and MacConaghy & Barnier PLC and John H.

1 MacConaghy; Laminar Direct Capital L.P. having appeared by and through its counsel Klee Tuchin
2 Bogdanoff & Stern LLP and Thomas E. Patterson; AIC Capital Partners and Pacific Paragon
3 Investment Fund, Ltd. having appeared by and through their counsel Elmer Dean Martin III, A
4 Professional Corporation and Elmer Dean Martin; The Court having reviewed the pleadings and
5 heard the representations and arguments of counsel filed in support of, and in opposition to, the
6 Motion; the Court having issued its MEMORANDUM ON MOTION TO CONVERT on October 9, 2006;
7 and good cause appearing therefor;

8 IT IS HEREBY ORDERED that the Motion is denied.

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10 Dated: October 10, 2006


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13 Alan Jaroslovsky
14 U.S. Bankruptcy Judge
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EXHIBIT F

EXHIBIT F

EXHIBIT F

Entered on Docket

March 14, 2007

GLORIA L. FRANKLIN, CLERK
U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

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18 Counsel for the Official
19 Committee of Unsecured Creditors

20 UNITED STATES BANKRUPTCY COURT

21 NORTHERN DISTRICT OF CALIFORNIA

22 SANTA ROSA DIVISION

23 In Re

24 THE LEGACY ESTATE GROUP LLC, A
25 CALIFORNIA LIMITED LIABILITY COMPANY,
26 DOING BUSINESS AS FREEMARK ABBEY
27 WINERY, BYRON VINEYARD & WINERY,
28 AND ARROWOOD VINEYARDS & WINERY,

Debtor.

PO Box 410
St. Helena, CA 94574

Employer Tax I.D. No.: 94-3387985

Case No. 05-14659-AJ-11

Chapter 11

Date: March 14, 2007

Time: 10:00 a.m.

Place: 99 South "E" Street
Santa Rosa, CA 95404

Judge: Honorable Alan Jaroslovsky

**ORDER CONFIRMING JOINT PLAN OF
LIQUIDATION DATED OCTOBER 13, 2006**

I.

RECITALS

A. On October 13, 2006, The Legacy Estate Group LLC, a California Limited Liability Company, the debtor and debtor in possession herein, (the "Debtor") and the Official

1 Committee of Unsecured Creditors (the "Committee" and together with the Debtor, the "Plan
2 Proponents") filed their JOINT PLAN OF LIQUIDATION DATED OCTOBER 13, 2006 (the "Joint
3 Plan"). On February 8, 2007, the Plan Proponents filed an ADDENDUM TO JOINT PLAN OF
4 LIQUIDATION DATED OCTOBER 13, 2006 (the "Addendum"), attached as Exhibit 1 to the PLAN
5 PROPONENTS' SUBMISSION OF ADDENDUM TO JOINT PLAN OF LIQUIDATION DATED OCTOBER 13,
6 2006. The Joint Plan, as modified by the Addendum, is hereinafter referred to as the "Plan."

7 B. The hearing pursuant to 11 U.S.C. § 1128 (a) to consider confirmation of the Plan
8 came on before this Court on November 20, 2006 at 9:00 a.m. and continued on: (i) February 14,
9 2007 at 9:00 a.m.; (ii) February 23, 2007 at 9:00 a.m.; and (iii) March 14, 2007 at 10:00 a.m. The
10 Debtor appeared by and through its counsel, Law Offices of William C. Lewis and William C.
11 Lewis, and Murray & Murray, a Professional Corporation and John Walshe Murray; other
12 appearances were as noted in the Court's record.

13 C. All capitalized terms used but not separately defined herein shall have the meaning
14 ascribed to them in the Plan. A term that is not defined herein or in the Plan but is used in the
15 Bankruptcy Code or the Bankruptcy Rules shall have the meaning ascribed to such term in the
16 Bankruptcy Code or the Bankruptcy Rules.

17 II.

18 FINDINGS OF FACT

19 It having been determined after hearing on notice, upon the submission of competent and
20 admissible evidence, and based thereon:

21 THE COURT FINDS that the Plan complies with the applicable provisions of Title 11,
22 United States Code; the Debtor and the Committee have complied with the applicable provisions
23 of Title 11, United States Code for confirmation of the Plan; and the Plan has been proposed in
24 good faith and not by any means forbidden by law.

25 THE COURT FURTHER FINDS that with respect to the executory contract to be assumed by
26 the Debtor under the Plan and this Order as set forth in Sections 7.1 of the Plan: the Debtor is not
27 in default under the terms of such executory contract and therefore no amount of money or other
28 performance is due in order for the Debtor to assume such contract; no non-debtor party to such

1 executory contract has objected to the assumption of such executory contract; and, the assumption
2 of such executory contract is in the best interests of the Bankruptcy Estate as determined by the
3 Debtor and the Committee in the exercise of their good faith business judgment.

4 THE COURT FURTHER FINDS that two objections were filed to confirmation of the Plan: (1)
5 the objection by Andrea Wirum, Chapter 11 Trustee (the "Trustee") of the bankruptcy estate of
6 Connaught Capital Partners, LLC (the "Trustee Objection"); and (2) the objection by John M.
7 Bryan (the "Bryan Objection"). No other objections to confirmation of the Plan were filed.

8 To the extent that any of the foregoing findings of fact are, or can be construed as,
9 conclusions of law, such findings shall be, and are hereby, determined to be the conclusions of
10 law of this Court.

11 III.

12 ORDER

13 NOW, THEREFORE, based on the foregoing Recitals and Findings of Fact, and good cause
14 appearing therefor, IT IS HEREBY ORDERED as follows:

15 1. With respect to the objections filed to confirmation of the Plan, (a) the Bryan
16 Objection was sustained solely with respect to the manner in which estate professionals shall seek
17 allowance of compensation after the Confirmation Date (addressed in Paragraph 2 below), and
18 the balance of the Bryan Objection was overruled at the hearing held on February 14, 2007; and
19 (b) the Trustee Objection was withdrawn at the hearing held on March 14, 2007 based on the
20 Court's approval of that certain compromise of controversy among the Debtor, the Committee
21 and the Trustee which was before this Court on such date.

22 2. Section 6.15 of the Plan is replaced in its entirety with the following:

23 **"6.15 Post-Confirmation Compensation and Reimbursement of Expenses of**
24 **Disbursing Agent, Responsible Person and Estate Professionals.** Compensation and
25 reimbursement of expenses for the Disbursing Agent, the Responsible Person and all
26 professionals employed by the Reorganized Debtor or the Creditors' Committee after the
27 Confirmation Date shall be subject to the approval of the Bankruptcy Court upon
28 application and after a hearing on notice as provided at Section 6.17.1 of the Plan.

1
2 3. Subject to the modification to the Plan set forth at Paragraph 2 above, the Plan is
3 confirmed. The Plan Proponents are authorized to execute any and all documents and take any
4 and all actions necessary to effectuate and consummate the Plan.

5 4. For the purposes of the Plan and this Order, the "Effective Date" of the Plan shall
6 be March 27, 2007.

7 5. The Disbursing Agent and the Responsible Person for purposes of the Plan shall
8 be Insolvency Services Group, Inc. The Court hereby finds that the Plan Proponents have made
9 all of the disclosures required under Section 1129(a)(5) of the Bankruptcy Code with respect to
10 the designation of Insolvency Services Group, Inc. as Responsible Person under the Plan.
11 Insolvency Services Group, Inc. shall be compensated on an hourly basis pursuant to Section of
12 6.15 of the Plan (as modified and set forth at Paragraph 2 above) as more fully set forth and
13 described in the NOTICE BY PLAN PROPONENTS OF PROPOSED RESPONSIBLE PERSON TO
14 ADMINISTER JOINT PLAN OF LIQUIDATION filed with the Court on November 6, 2006.

15 Dated: March 14, 2007

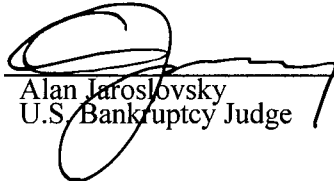

Alan Jaroslovsky
U.S. Bankruptcy Judge

EXHIBIT G

EXHIBIT G

EXHIBIT G

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10
11
12 **UNITED STATES BANKRUPTCY COURT**
13 **FOR THE NORTHERN DISTRICT OF CALIFORNIA**
14

| | | | |
|----|------------------------------|---|------------------------------|
| 15 | In re |) | Case No. 05-14659 |
| 16 | |) | Chapter 11 |
| 17 | THE LEGACY ESTATE GROUP, LLC |) | DATE: February 23, 2006 |
| 18 | Debtor. |) | TIME: 9:00 a.m. |
| 19 | |) | JUDGE: Hon. Alan Jaroslovksy |

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OBJECTION TO COMPROMISE

1 **I. INTRODUCTION**

2 COMES NOW John M. Bryan and opposes the proposed compromise between the Legacy Estate
3 and the Connaught Trustee. Mr. Bryan holds a majority of the unsecured claims against Connaught, but
4 under the proposed settlement his recovery from his claims against Connaught would be diluted by more
5 than 50% due to the allowance of an \$8.5 million claim against Connaught (the "New Legacy Claim").
6 The Motion provides no meaningful explanation of the basis for the settlement, the justification for the
7 existence of the New Legacy Claim or why the New Legacy Claim should not be treated as untimely.

8
9 **II. THE COMPROMISE MOTION DOES NOT MEET MINIMAL
10 STANDARDS OF DUE PROCESS**

11 The Court may approve a compromise only if creditors and parties of interest have received
12 "notice and an opportunity to be heard." Fed. R. Bankr. P. 9019(a). At the least, the notice must
13 adequately explain the relief sought and the reasons for it, and sufficient time must be afforded creditors
14 to evaluate the merits of the motion and to respond, if appropriate. In this case, the representatives of
15 the two estates have not provided either adequate notice or adequate time. The Compromise Motion
16 must be denied.

17
18
19 **A. *Insufficient Time Was Given.***

20 The norm in this District is to provide at least 20 days notice of a compromise. See, BLR 9014-
21 1(b). Here, the movants sought and obtained an Order Shortening Time limiting notice to seven days:
22 they were required to give notice of their compromise by Friday, February 17, 2007.

23 While they did distribute a notice on Friday, February 17th, the notice was not accompanied by
24 the settlement agreement. On the contrary, the notice that was timely given provided that :

25
26 This Motion contains on a summary of the compromise terms. To the extent there are
27 any inconsistencies between the summary descriptions of the Settlement Agreement
28 contained in this Motion and the terms and conditions of the Settlement Agreement, **the
terms of the Settlement Agreement shall control. A copy of the Settlement
Agreement will be provided upon request.**

1 Joint Motion, 4:26-28. (emphasis supplied)

2
3 When parties timely made requests, they were informed that the Settlement Agreement would
4 not be available until some time on Tuesday, February 20, 2007, two days prior to the Friday morning,
5 February 23, 2007 hearing. In fact, the Settlement Agreement was not distributed until 12:38 p.m. on
6 Tuesday, February 20th. A substantive modification respecting Laminar's rights in connection with
7 "Return Distributions" was thereafter circulated Wednesday morning. Another substantive
8 modification relating to the scope of the releases was circulated late Wednesday afternoon.

9
10 The Compromise will have a substantial impact on creditors of both estates. No justification for
11 limiting notice of its terms to two days has been presented, and indeed no justification could be
12 presented other than an arbitrary desire to rush to "justice".

13
14 ***B. The Notice Was Substantively Inadequate***

15 Admittedly, the notice describes at least some of the relief sought: the two estates will share
16 equally in the expense and recoveries from some litigation, and the New Legacy Claim will be allowed
17 against the Connaught Estate.

18
19 To the extent that the settlement agreement affords the parties other relief, that *was not*
20 *described at all*, e.g., prosecution of the estates' differing rights and theories through Joint Counsel with
21 attendant waivers of the attorney-client privilege; Stipulation, ¶5; restrictions on the ability of each
22 estate to seek subordination or disallowance of claims in the other estate; Stipulation, ¶¶ 9, 10;
23 imposition of the Laminar Subordinated Claim on the Connaught Estate and provisions respecting its
24 payment; ¶13; and releases of unidentified claims against the representatives of each estate; ¶¶14, 15.

25
26 Moreover, there is no explanation about *why* the relief is being granted. Obviously, this is the
27 essential element of analysis under Rule 9019, but the Motion is completely silent about it. Why would
28 Legacy have a claim in any amount against Connaught, let alone a claim for \$8.5 million? Why

1 wouldn't the New Legacy Claim be time-barred and hence subordinated to all other claims against the
2 Connaught Estate? What are the claims against the representatives of the two estates that are being
3 released? Why is it important to prevent each estate's fiduciaries from objecting to claims against the
4 other estate? Without a presentation of the basis and rationale for the underlying disputes, it is
5 impossible for the Court or creditors to evaluate whether the settlement is appropriate.
6

7 The Compromise Motion simply provides inadequate information to satisfy Rule 9019.
8

9 **III. ALLOWANCE OF THE NEW LEGACY CLAIM IS INEXPLICABLE**
10 **AND INJURIOUS TO CONNAUGHT CREDITORS**

11 When claims against the Connaught Estate are boiled down, it seems likely that (but for the
12 proposed settlement) there would be approximately \$8 million dollars of allowed general unsecured
13 claims. Mr. Bryan holds approximately \$5.7 million dollars of claims based on promissory notes
14 executed by Connaught.¹ In addition, a few dozen investors, largely Canadian, transferred somewhat
15 more than \$2 million to Connaught and/or Legacy under documents that suggested they were intended
16 as equity but provided for a potential conversion to debt (the "Investor Claims"). If the Investor Claims
17 are permitted to share *pari passu*, Mr. Bryan holds more than two-thirds of Connaught's unsecured
18 debt; if the Investor Claims are subordinated pursuant to Section 510(b), Mr. Bryan will holds
19 substantially all of general unsecured claims against Connaught.
20

21 Obviously, Mr. Bryan is deeply concerned about the allowance of the immense New Legacy
22 Claim, which would dwarf his claim and substantially dilute any recovery to him. Under any ordinary
23 rules, he could rest assured that following the running of the Claims Bar Date, any subsequently filed
24

25
26 ¹ In addition, Mr. Bryan holds a claim under Connaught's guarantee of the Red Barn Ranch contract. The
27 claim was asserted in the gross amount of \$20 million dollars, representing unmitigated damages under the Red
28 Barn contract. A comparable claim against the Legacy Estate was recently settled for the payment of \$750,000 in
cash.

1 claims would likely be time-barred and enjoy only subordinated status. Certainly, he would not need to
 2 fear that a late-filed claim by the Legacy Committee would be allowed. See, *In re Coastal Alaska Lines,*
 3 *Inc.*, 920 F.2d. 1438, 1434 (9th Cir. 1990) (creditor who knew of bankruptcy case did not qualify for
 4 relief respecting untimely claim). Yet on a few days' notice it is proposed that Legacy receive an
 5 allowed claim for \$8.5 million without any explanation of either the merits of the claim or the basis on
 6 which a timeliness objection could be defended.
 7

8 The *only* explanation provided is that the Committee and the Connaught Trustee thinks it would
 9 be a good idea. It is submitted that is simply inadequate.
 10

11 IV. CONCLUSION

12 The Compromise Motion is intended to fundamentally rearrange the claims against and
 13 dynamics of both bankruptcy estates. No explanation is presented of the basis for the compromise, such
 14 that either the Court or creditors could evaluate it on the merits.
 15

16 Moreover, although there is no objective reason for urgency, the Compromise is being rammed
 17 through on two days notice. This does not comport with minimal standards of due process and fair
 18 notice.

19 The Compromise Motion should be denied.

20 Respectfully submitted,

21 DATED: February 22, 2007

ST. JAMES LAW, P.C.

22 By: /s/ Michael St James

23 Michael St. James
 24 Counsel for John M. Bryan
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EXHIBIT H

EXHIBIT H

EXHIBIT H

Entered on Docket
November 17, 2006
GLORIA L. FRANKLIN, CLERK
U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

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14 Co-Counsel for the Official
15 Committee of Unsecured Creditors

16 **UNITED STATES BANKRUPTCY COURT**
17 **NORTHERN DISTRICT OF CALIFORNIA**
18 **SANTA ROSA BRANCH**

19 In re:

20 THE LEGACY ESTATE GROUP LLC, A
21 CALIFORNIA LIMITED LIABILITY
COMPANY, DOING BUSINESS AS
22 FREEMARK ABBEY WINERY, BYRON
VINEYARD & WINERY, AND ARROWOOD
23 VINEYARDS & WINERY,

24 Debtor.

Case No. 05-14659 AJ11

Chapter 11

**ORDER AUTHORIZING THE OFFICIAL
COMMITTEE OF UNSECURED
CREDITORS TO PROSECUTE CERTAIN
CLAIMS ON BEHALF OF THE ESTATE**

25
26 The Joint Motion for Order Authorizing the Official Committee of Unsecured
27 Creditors to Prosecute Certain Claims on Behalf of the Estate (the "Motion"), jointly filed by The
28 Legacy Estate Group LLC, debtor and debtor in possession herein (the "Debtor"), and the Official

Order Authorizing the Committee to
Prosecute Certain Claims on Behalf of the Estate
SF:144061.4

1 Committee of Unsecured Creditors (the "Committee") appointed herein, having come before this
2 Court; the Court having determined that it has jurisdiction over this matter pursuant to sections 157
3 and 1334 of title 28 of the United States Code and Bankruptcy Local Rule 5011-1; and after due
4 deliberation thereon, and good and sufficient cause appearing therefor, it is hereby:

5 ORDERED, ADJUDGED AND DECREED THAT:

6 1. The Motion is granted, and all objections thereto, to the extent not voluntarily
7 withdrawn, are overruled.

8 2. The Committee is hereby appointed as the representative of the Debtor's
9 bankruptcy estate with respect to the prosecution of certain litigation, as more specifically set forth
10 under Article 6.2 of the First Amended Joint Plan of Liquidation dated October 13, 2006 (as the
11 same may be amended, modified, or in effect from time to time, the "Plan").

12 3. The relief granted by this Order shall be consistent with and identical in all
13 respects to the grant of authority to be provided to the Committee and its successors in interest under
14 the Plan. In the event of any inconsistency between the provisions of this Order and any provisions
15 of the Plan, the terms and provisions of the Plan shall govern and control.

16
17 Dated: November 17, 2006

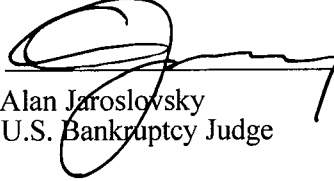

18 Alan Jaroslovsky
19 U.S. Bankruptcy Judge
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EXHIBIT I

EXHIBIT I

EXHIBIT I

Entered on Docket
October 10, 2006
GLORIA L. FRANKLIN, CLERK
U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

In re

THE LEGACY ESTATE GROUP, LLC,

No. 05-14659

Debtor(s).

Memorandum on Motion to Convert

Debtor The Legacy Estate Group, LLC, filed its Chapter 11 petition on November 18, 2005. At that time, it was the owner of three large and well-known wineries. John M. Bryan is a creditor of the equity owner of the debtor. He asserts a claim in this case which is contested by the other parties, and appears to be a relatively minor player in this case. He has filed a motion to convert this case to Chapter 7, which is opposed by all the other constituencies. Nonetheless, he argues that conversion is required as a matter of law. The court does not find merit in this argument.

When this case was filed, the debtor was in dire straits. Dozens of grape growers had not been paid, the debtor had little reserves, and the principal secured creditor was in the process of enforcing its security interest. During the case, the parties (including an active Creditors Committee and a Growers Committee) negotiated cash collateral agreements to keep the debtor's wineries operating and hired specialized professionals to assist them in navigating their way in Chapter 11 and marketing the wineries. The wineries have now been sold for some \$97 million and escrow has closed; the growers and other major creditors have either been paid in full or otherwise satisfied; and a joint plan of reorganization has been filed by the debtor and the Creditors Committee, which appears to be supported by everyone except Bryan.¹

¹Bryan seems to think that with a trustee in place he has a better chance of successfully asserting a claim in this case. Bryan holds a note made by the debtor's equity owner. His claim that he is owed anything in this case is vigorously contested by the Creditors Committee.

1 During the course of proceedings to date, the court has approved administrative expenses totaling
2 about \$4.6 million. Bryan, who did not object to any of the fee applications, argues that these fees are
3 “extraordinary,” that the results of the professionals’ efforts was “relatively modest” and that primarily
4 as a result of these fees there has been a continuing loss to or diminution of the estate mandating
5 conversion pursuant to § 1112(b)(1) of the Bankruptcy Code.

6 The argument that \$4.6 million in professional fees is extraordinary for a case of this size is both
7 unproved and disingenuous, as counsel for Bryan is an experienced bankruptcy attorney and knows full
8 well that fees of this size are very ordinary for a case of this size and complexity. The argument that the
9 results are “relatively modest” is likewise unsupported spin which the court does not buy. The parties
10 have turned a case which could have resulted in major losses to local growers and complete disaster to
11 unsecured creditors into a case where growers have been paid, three major wineries have been
12 preserved as going concerns along with the jobs they generate, and the Creditors Committee anticipates a
13 100% dividend to unsecured creditors under a plan which could be confirmed within a month or two.²

14 Bryan more or less concedes all of the above, but argues that the case must be converted over the
15 objection of all of the major constituencies in the case because the debtor’s operating reports, which
16 include the extraordinary expenses associated with the sale, show a loss. This argument is largely a
17 matter of semantics. Whether the court finds that there has been no substantial or continuing loss to or
18 diminution of the estate because the estate has been enhanced overall by the sale, or that there have been
19 such losses but the sale is an “unusual circumstance” which justifies not converting the case, the result is
20 the same: there is no cause to convert this case.

21 To summarize, the court finds as follows:

22
23 ²During the sale process, the court expressed its desire to consummate the sale by liquidating
24 plan rather than under § 363 of the Code. The major parties informed the court that time constraints and
25 other considerations militated against doing the sale under a plan, but that the parties had entered into
26 agreements in return for support of the sale which would make confirmation of a plan quick and easy.
The court approved the sale, with virtually unanimous consent, based on these representations. The
court therefore has every reason to expect a quick and successful confirmation process.

EXHIBIT J

EXHIBIT J

EXHIBIT J

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
(SANTA ROSA DIVISION)

In re:

THE LEGACY ESTATE GROUP, LLC, Case No. 05-14659
Chapter 11
Santa Rosa ,California
December 8, 2006
10:22 a.m.
Debtor.

TRANSCRIPT OF PROCEEDINGS
1) MOTION FOR 2004 EXAMINATION
2) MOTION TO DEFER TRIAL
2) MOTION TO COMPEL ARBITRATION

BEFORE THE HONORABLE ALAN JAROSLOVSKY
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES:

For the Debtor: MURRAY and MURRAY
BY: JOHN WALSH MURRAY, ESQ.
19400 Stevens Creek Boulevard #200
Cupertino, California 95014

For John Bryan: ST. JAMES LAW
BY: MICHAEL ST. JAMES, ESQ.
155 Montgomery Street, Suite 1004
San Francisco, California 94104

1 evaluated by the experts, incorporated in their testimony, and
2 then they can be deposed if necessary before trial.

3 And we think as a matter of simple justice, it is
4 far, far better to let us have this key piece of evidence.
5 This key piece of evidence is a report on every sale of grapes
6 with price and amount in the 2006 harvest. Now the whole
7 question in the Red Barn rejection damages claim is what
8 mitigation was available last year. This report will enable
9 us to show what was happening in the stock market, what the
10 prices were, what amount of grapes could go through the stock
11 market, what amount of grapes were not sold at all in 2006 and
12 so they were crushed for the benefit of the growers. So this
13 will give us key information on critical factual issues, and
14 the alternative is to bring in newspaper reports, which I
15 don't believe is the way the Court wants us to approach it.

16 So first and foremost, we think the trial should be
17 deferred so that this evidence can come into play.

18 Secondarily, we are concerned about the procedural
19 structure, and because we think that there is no external
20 urgency, we think it's appropriate to have this objection to
21 claim heard in a procedurally appropriate fashion. Now what's
22 happened is, in June, we took the whole Red Barn Ranch
23 contract; we agreed to reject about half of it, and so that
24 was rejected in June; and the Debtor assumed the balance of
25 it. That assumed contract is still an assumed contract today.

1 that arises under the contract, and so really we're not
2 secured after all, and it's an unsecured claim.

3 Well, you would think that if they're objecting to
4 our claim, they're going to say, a), the amount's wrong; and
5 b), it's not a secured claim. But no. Their theory --
6 presumably because they recognize that Rule 7001 would then
7 require them to make it an adversary proceeding -- their
8 theory is different. They say well, no, we can sue you on
9 your fraudulent transfer thing there, and then we can sue you
10 over here on the objection to claim for the liquidation, and
11 then maybe some time later, we can sue you on whether it's a
12 secured claim, and basically, we can keep on suing you and
13 we'll be done when we tell you we're done, and until we tell
14 you we're done, we can keep on going.

15 THE COURT: Well, can I interrupt you for a second.

16 MR. ST. JAMES: I apologize.

17 THE COURT: You're being -- your client is being
18 pursued by the estate.

19 MR. ST. JAMES: Yes, Your Honor.

20 THE COURT: I can't tell whether your client's
21 objection to the Plan is motivated by proper concerns or just
22 by a desire to throw a monkey wrench into Plan confirmation
23 because your client is being sued. I don't know. So I set
24 an expeditious hearing to determine all this on the merits.
25 And I did that because it's necessary to find out if I should

1 confirm the Plan or not. If you are willing to stipulate that
2 your claim be disallowed for voting purposes, I will be happy
3 to accommodate you and give you all the time you need. If
4 your client is unwilling to do that, then I need to proceed
5 expeditiously and at the very least, the very least, estimate
6 your client's claim for voting purposes.

7 Now, it seems to me that if I estimate it first and
8 then adjudicate it later, I'm costing everyone a lot of extra
9 money, but the bottom line is, if you're telling me, okay,
10 this is not the crucial vote; it's the trustee's vote so
11 disallow my claim just for voting purposes, then I'll be happy
12 to adjudicate it in a more leisurely fashion. But as long as
13 your client is opposing confirmation and arguing that I should
14 count your client's vote, that forces me to move things up.
15 So the bottom line is, tell me what you want. You can't have
16 it both ways. You can't ask that your client's vote be
17 counted on the Plan and then ask for delays in adjudicating
18 that.

19 MR. ST. JAMES: That's perfectly reasonable, Your
20 Honor, and we would be happy to say, under these
21 circumstances, because the claim is far more important to us
22 than the vote, that the Court need not consider our vote. I
23 would ask that we be permitted, nonetheless, to speak if we
24 want to object to confirmation.

25 THE COURT: Well, of course. You can object on the

EXHIBIT K

EXHIBIT K

EXHIBIT K

UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
BEFORE THE HONORABLE ALAN JAROSLOVSKY, JUDGE

| | | |
|----------------------------------|---|-------------------------------------|
| In Re: |) | Case No. 05-14659 |
| |) | Chapter 11 |
| THE LEGACY ESTATE GROUP, LLC., a |) | |
| California limited liability |) | <u>MOTION for ORDER AUTHORIZING</u> |
| company, doing business as |) | <u>SETTLEMENT of CLAIM NO. 122</u> |
| Freemark Abbey Winery, Byron |) | <u>of JOHN M. BRYAN and RED</u> |
| Vineyard & Winery, and Arrowood |) | <u>BARN RANCH LLC</u> |
| Vineyards & Winery, |) | |
| |) | |
| Debtor. |) | |
| <hr/> | | |
| In Re: |) | Case No. 05-14660 |
| |) | |
| CONNAUGHT CAPITAL PARTNERS, LLC, |) | <u>MOTION for ORDER AUTHORIZING</u> |
| |) | <u>SETTLEMENT with the LEGACY</u> |
| Debtor. |) | <u>ESTATE GROUP LLC and ITS</u> |
| |) | <u>CREDITOR'S COMMITTEE</u> |
| <hr/> | | |
| OFFICIAL COMMITTEE of UNSECURED |) | Adv. 06-1173 |
| CREDITORS of LEGACY, |) | |
| |) | <u>MOTION to CERTIFY PROCEEDING</u> |
| Plaintiff, |) | <u>to DISTRICT COURT for TRIAL</u> |
| |) | <u>by JURY</u> |
| v. |) | |
| |) | |
| JOHN M. BRYAN, |) | |
| |) | |
| Defendant. |) | Friday, February 23, 2007 |
| |) | Santa Rosa, California |

Appearances:

| | |
|----------------------|-----------------------------------|
| For Debtor The | Murray & Murray, P.C. |
| Legacy Estate Group: | By: John Walshe Murray, Esq., and |
| | Doris A. Kaelin, Esq. |
| | 19400 Stevens Creek Boulevard |
| | Suite 200 |
| | Cupertino, California 95014 |

| | |
|---------------------|----------------------------------|
| Special Counsel for | Law Offices of William C. Lewis |
| the Debtor: | By: William C. Lewis, Esq. |
| | 510 Waverley Street |
| | Palo Alto, California 94301-1720 |

Appearances continued on next page.

Connaught: Motion for Settlement with Legacy

17

1 Bryan — or, I'm sorry. Mr. St. James.

2 MR. ST. JAMES: Thank you, Your Honor. Your Honor,
3 let me just say, perhaps echoing the Court's misgivings, I have
4 not had a chance in the couple days that it's been around or the
5 day that it's been around to look at the Laminar stipulations.
6 If they are in fact nonsubstantive tidying up, that's great.
7 But I'd just point out that to the extent that there is anything
8 substantive about them, there has not been anything
9 approximating due process or notice. And that's — that's —

10 THE COURT: Counsel just told me it was noticed and
11 there were no objections.

12 MR. ST. JAMES: What they say happened was several
13 months ago it was noticed and the Connaught trustee on behalf of
14 Connaught was unwilling to sign it. And now as part of this
15 overall deal, the Connaught trustee is not only willing to sign
16 that stipulation, but everybody over there is willing to change
17 the stipulation and they'd like the Judge to sign off on both
18 things.

19 And all I'm suggesting is that the new stipulation has
20 been out for a day or two. I have not had a chance to study it.
21 If it is in fact just tidying up, then it's just tidying up. To
22 the extent that it's substantive, I'm just pointing out that
23 there hasn't been anything approximating due notice.

24 And that is really my concern about the overall
25 settlement. Maybe it's a good idea, maybe it's a bad idea. But

Connaught: Motion for Settlement with Legacy

18

1 the one thing that's clear is that there hasn't been anything
2 approximating due process.

3 If you look at the way things stood last Friday, the
4 Connaught trustee had asserted for what seemed to be fairly good
5 reasons, a \$4 million claim against the Legacy estate. And the
6 Legacy estate, guided by both a debtor-in-possession and a
7 committee, had elected not to assert any claims against
8 Connaught. That's the way things were last Friday: \$4 million
9 going only one way.

10 Today it's eight and a half million dollars going the
11 other way. And there is a claim of Legacy in the Connaught
12 estate for eight and a half million dollars, the claim of
13 Connaught through the Legacy estate is waived, and there's no
14 real explanation except that these parties have decided that
15 that's a good economic outcome.

16 My client holds \$5.7 million of contract claims in the
17 Connaught estate, promissory note claims in the Connaught
18 estate; and before this settlement was by far the largest
19 creditor in the Connaught estate; and could have assumed that if
20 anybody had come in today to file a claim against the Connaught
21 estate, the fact that the claim would be time barred would be a
22 meaningful defense.

23 Now the assertions for bases for why there would be a
24 claim of Legacy against Connaught are all things that the
25 committee knew or should have known and the debtor knew or

Connaught: Motion for Settlement with Legacy

19

1 should have known long before the Connaught claims bar date.
2 And so in the ordinary context, if the Legacy estate had filed a
3 proof of claim in Connaught today, the Connaught trustee could
4 have objected or we could have objected and pointed out that
5 it's at least time barred and at least is junior to our claim.

6 There's no explanation of any of this stuff. There's
7 no explanation as to the merits of why Legacy should have a
8 claim against the Connaught estate. The first time anybody
9 heard anything about the merits was when Mr. Lewis explained it
10 to the Court. The Court didn't know, I didn't know, nobody knew
11 except whoever asserted it around that table. And that's not
12 the way a compromise is supposed to work. 9019 does not
13 contemplate that the parties can figure it out themselves and
14 the Court and the creditors rubber stamp it.

15 9019 contemplates that people will explain what's up
16 and why they're doing it so that the Court and the creditors can
17 have some sort of meaningful involvement. And that hasn't been
18 done here. And then it's been compounded by the fact that after
19 the Court said seven days' notice was sufficient, the parties
20 decided that two days' notice would be better. And so the
21 notice that went out seven days ago said: Well, here are some
22 ideas, but basically it's all overruled by the terms of the
23 settlement agreement.

24 And when people said: Well, can I see the settlement
25 agreement, the answer was: No, not yet. Maybe later.

Connaught: Motion for Settlement with Legacy

20

1 And so on Tuesday at noon, you know two business days
2 ago, we got the terms of the settlement agreement. And there
3 are things in the settlement agreement that are very different,
4 that are not at least discussed in the notice at all.

5 And, Your Honor, if in fact there was going to be a
6 foreclosure tomorrow, if in fact there was going to be some
7 horrible, dire emergency that made it important to rush to
8 justice, then maybe it'd be understandable. But there isn't
9 anything that's happening out there except a desire to get this
10 thing done as quickly as possible with as little notice as
11 possible to move onto whatever else people want to do.

12 THE COURT: I think it's with as little as expense as
13 possible.

14 MR. ST. JAMES: Your Honor, there is no difference in
15 expense between meeting here today and meeting here in two
16 weeks. There is no difference in expense. The same bodies are
17 going to drive up here if the hearing's today or if the
18 hearing's in two weeks.

19 I admit that there is a difference in whether they
20 explain what the deal is and why, but I don't think that saving
21 money by not explaining what's up is a legitimate concern, not
22 in a case like that.

23 So, Your Honor, I'd submit, first and foremost, that
24 there ought to be due process about something as big as this.
25 And there ought to be a real explanation of what's up. If the

Connaught: Motion for Settlement with Legacy

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1 Connaught trustee has decided that her \$3 million claim against
2 Legacy was bogus, she should say that. She should explain why
3 she's realized that it was a mistake. If everybody's decided
4 that really Legacy has an \$8 million claim against Connaught and
5 - and it's a good solid claim, they should explain some time
6 prior to oral argument at the hearing why they think there could
7 be such a claim. I think they should explain why they think
8 that it's not late and time barred.

9 I think they should just explain this stuff and we
10 should have something that approximates due process.

11 Thank you, Your Honor.

12 THE COURT: Well, before you respond, this is just
13 general comments at this side of the room. You as a group have
14 some calls to make. You would think that they would be my
15 calls, but they're not really. Mr. St. James on behalf of Mr.
16 Bryan has been the lone fly in the ointment for a few hearings
17 now. And I don't know nor do I care whether he's motivated by
18 the fact that he's worried about maximizing the Bryan claim or
19 he's worried about being the object of the litigation attentions
20 of the - of the two estates.

21 I do note that there is a trustee in the Connaught
22 case because of Mr. Bryan's motion. So it's - it's worthy of
23 comment that the trustee, an independent trustee was appointed
24 at his request, and the independent trustee is now taking a
25 divergent view as to what's best for that estate.

Connaught: Motion for Settlement with Legacy

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1 The reason I say you've got calls is because Mr. Bryan
2 is raising procedural hurdles. He's saying that there hasn't
3 been due process. I'm skeptical about that. I'll listen to
4 your arguments if you want to go forward, but the fact of the
5 matter is those arguments go away if we set an evidentiary
6 hearing, come back in a couple weeks, I take testimony, and then
7 we're only talking about the actual legal issues. And there's
8 no question of being unfair to anybody.

9 So I think we should take a recess and you make the
10 call. I suspect if you all insist on going forward today, that
11 I may give different - deference to your wishes. But you could
12 end up in front of some appellate court somewhere instead of
13 arguing the merits of your settlement, you could be arguing
14 whether you ran roughshod over Mr. St. James and his client.

15 So why don't we take a five-minute recess, confer
16 among yourselves, and see how you want to proceed.

17 MR. LEWIS: Thank you, Your Honor.

18 MR. ST. JAMES: Thank you, Your Honor.

19 (Hearing recessed from 9:39 a.m. to 10:15 a.m.)

20 THE CLERK: Number 2 on the nine o'clock calendar:
21 Connaught Capital Partners.

22 MR. LEWIS: Your Honor, do you want appearances again?

23 THE COURT: No. I remember who you are, Mr. Lewis.

24 MR. LEWIS: Okay. Your Honor, I think we've worked
25 out an agreement subject to the Court's availability to continue

Connaught: Motion for Settlement with Legacy

23

1 the hearing. And the dates that work for the parties, if it
2 works for the Court, are the afternoon of the 13th from two
3 o'clock on or any time on the 14th.

4 THE COURT: Well, let's take a look.

5 MR. LEWIS: I saw a nod on the 14th.

6 THE COURT: Yeah, I've got a one-day trial on the
7 13th, but the 14th is entirely open. Shall we set that aside
8 for you?

9 MR. LEWIS: Yes. Ten o'clock. Is that agreeable to
10 the Court?

11 THE COURT: That will be fine.

12 MR. HONIG: What time?

13 MR. LEWIS: Ten o'clock?

14 I see no objection to ten o'clock.

15 MR. ST. JAMES: Thank you, Your Honor.

16 THE COURT: All right. I will hold an evidentiary
17 hearing then on March 14th at ten o'clock on the advisability.
18 Now I believe I have -

19 MR. ST. JAMES: Your Honor? That's not I think what I
20 at least contemplated. We had a discussion in the halls, and
21 I'm not representing that there's any agreement about it. But
22 what I said was, "I think that you all should put together a
23 motion that explains why this is a good deal under 9019 and then
24 we can have a hearing on whether this is a good deal under
25 9019."

Connaught: Motion for Settlement with Legacy

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1 And what I said in the halls was, "I don't think that
2 it makes any sense to schedule an evidentiary hearing because if
3 we were doing a serious evidentiary hearing, then I would want
4 to take discovery before the evidentiary hearing so I knew what
5 was happening. And we certainly couldn't do that very quickly
6 and that seems like a lot of expense and it doesn't make a lot
7 of sense to me when what I'm really just asking for is a good
8 explanation of the basis for the motion."

9 So I wanted to say that because I do not contemplate
10 an evidentiary hearing on that day.

11 THE COURT: Unless you're waiving your right to an
12 evidentiary hearing, I am going to give you fair notice that I
13 may consider testimony at that time and I anticipate giving an
14 up or down to the compromise at that time.

15 MR. ST. JAMES: In that case, Your Honor, I would
16 suggest that that date is not convenient because what I need to
17 do, if we're really going to have an evidentiary hearing on this
18 compromise, is -

19 THE COURT: We're really going to have a final
20 decision on this compromise.

21 MR. ST. JAMES: Then what I assume I need to do is
22 start taking depositions. It would be helpful, obviously, if
23 people would give me an explanation of why we're doing this
24 compromise beforehand, so I'd know whether it's necessary or
25 not. But if this is going down that path, then I need to have

Connaught: Motion for Settlement with Legacy

25

1 the hearing continued until much later in the month.

2 I've told them that I will be out the week preceding
3 the 14th. I don't think that I can start taking depositions
4 this week. And while I think it's an unreasonably expensive way
5 of finding out way this motion is here, if that's what we have
6 to do, then I have to start scheduling depositions in the week
7 of the 14th and asking for a hearing at the end of March.

8 I'd prefer if they would simply prepare a 9019 motion
9 that explained why this deal makes sense, and that might resolve
10 everything. But I have to accommodate the Court's preference.
11 And if the Court prefers that we simply go to a sudden-death
12 evidentiary hearing, then I need to proceed with discovery
13 first.

14 THE COURT: Well, look, this case started out with a
15 lot of divergent interests, many divergent interests. We had
16 two debtors with separate interests. We had eq- -- one of the
17 debtor was an equity owner. We had the unsecured creditors. We
18 had the evil hedge fund. A lot of different players. It's come
19 down now to everybody's on one table and you're sitting at the
20 other one. And I'm not sure whether you're sitting there
21 because you're really concerned about the Connaught estate or
22 you're concerned because your client is the object of
23 anticipated litigation.

24 You've made an argument that I'm being unfair by
25 rushing things. As I pointed out to all the others, it's really

Connaught: Motion for Settlement with Legacy

26

1 their choice. And I guess it's still their choice, but at a
2 certain point I'm not going to let you drag the proceedings on
3 as the lone voice in the wilderness, especially when I'm
4 concerned about your client's motivations, in the first place.
5 So there is a definite limit to how much mileage you get out of
6 this due process argument.

7 The national rules require 20 days' notice. You will
8 have had far more than that if I put it over to the 14th. And I
9 really don't think you're entitled to anything more than that.

10 Here again it's not really my call. It's the parties
11 involved. Do you want me to set it for an evidentiary hearing
12 at that time or do you want a preliminary hearing?

13 MR. LEWIS: Yeah. Your Honor, what — what we advised,
14 and I will answer your question, but what we advised Mr. St.
15 James is that we are going to provide supplemental information
16 to him. But if he's not — you know, we think we've satisfied
17 the requirements of 9019 in the motion that's been filed and the
18 presentation that's been made today. We think the Court could
19 rule on that. If the Court wants evidence on that, we're
20 prepared to put it on.

21 We will provide Mr. St. James additional information.
22 Whether or not it will satisfy him, we have just no way of
23 knowing. We intend to do that probably by next Tuesday. That's
24 why we picked the date we did. And then we'll communicate with
25 him in good faith, trying to answer any questions he has, but we

EXHIBIT L

EXHIBIT L

EXHIBIT L

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
(SANTA ROSA DIVISION)

In re:

THE LEGACY ESTATE GROUP, LLC, Case No. 05-14659
Chapter 11
Santa Rosa ,California
March 14, 2007
10:03 a.m.
Debtor.

TRANSCRIPT OF PROCEEDINGS
MOTION FOR ORDER AUTHORIZING SETTLEMENT WITH
CONNAUGHT CAPITAL PARTNERS, LLC

CONNAUGHT CAPITAL PARTNERS, LLC, Case No. 05-14660
Chapter 11
Debtor.

MOTION FOR ORDER AUTHORIZING SETTLEMENT WITH
LEGACY ESTATE GROUP, LLC AND ITS CREDITORS' COMMITTEE

OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF LEGACY ESTATE GROUP,

Plaintiff,

v.

A.P. No. 06-1173

JOHN BRYAN,

Defendant.

- 1 1) MOTION TO DISMISS CROSS-CLAIM FOR FRAUDULENT
2 MISREPRESENTATION, NEGLIGENT MISREPRESENTATION
3 AND DAMAGES
4 2) MOTION TO CERTIFY PROCEEDING TO DISTRICT COURT
5 FOR TRIAL BY JURY
6

7 BEFORE THE HONORABLE ALAN JAROSLOVSKY
8 UNITED STATES BANKRUPTCY JUDGE
9

10 APPEARANCES:
11

12 For the Debtor: MURRAY and MURRAY
13 BY: JOHN WALSHE MURRAY, ESQ.
14 19400 Stevens Creek Boulevard #200
15 Cupertino, California 95014
16

17 Special Counsel to LAW OFFICES OF WILLIAM C. LEWIS
18 Legacy Estate Group: BY: WILLIAM C. LEWIS, ESQ.
19 510 Waverley Street
20 Palo Alto, California 94301
21

22 For Andrea Wirum, LAW OFFICES OF McNutt and
23 Trustee for Connaught: LITTENEKER
24 BY: REBECCA U. LITTENEKER, ESQ.
25 188 The Embarcadero #800
San Francisco, California 94105

For John Bryan: ST. JAMES LAW
BY: MICHAEL ST. JAMES, ESQ.
155 Montgomery Street, Suite 1004
San Francisco, California 94104

1 APPEARANCES (CONTINUED):

2

3 For Laminar Direct
4 Capital, L.P.:

KLEE, TUCHIN, BOGDANOFF & STERN
BY: MICHAEL L. TUCHIN, ESQ.

5

-and-

6

COURTNEY E. POZMANTIER, ESQ.
2121 Avenue of the Stars,
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Los Angeles, California 90067

7

8 For the Unsecured
9 Creditors' Committee:

WINSTON and STRAWN
BY: DAVID A. HONIG, ESQ.
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San Francisco, California 94111

10

-and-

11

12

MacCONAGHY and BARNIER
BY: JOHN H. MacCONAGHY, ESQ.
645 First Street West #D
Sonoma, California 95476

13

14

15

Also Present:

ANDREA WIRUM, Trustee for
Connaught Capital Partners

16

17

Court Recorder:

DAWN PASSALACQUA
UNITED STATES BANKRUPTCY COURT
99 South "E" Street
Santa Rosa, California 95404

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19

20

21

Transcription Service:

Jo McCall
Electronic Court
Recording/Transcribing
2868 E. Clifton Court
Gilbert, Arizona 85297
Telephone: (480)361-3790

22

23

24

25

1 protect the rights and interests of all the creditors in
2 this estate. And in her view, this settlement fairly
3 protects all those interests at the same time, as best a
4 settlement can be.

5 THE COURT: Anyone else?

6 Well, I don't need to be convinced that this
7 settlement makes economic -- I don't need to be convinced
8 that this settlement is a good one, a proper one, and it
9 makes eminent good sense. I base that on my knowledge of
10 the case, having heard numerous disputes since the case was
11 filed, and I have a fairly thorough understanding of the
12 case. But of course my understanding of the case is not on
13 the record. I am also swayed by the fact that we've had
14 many diverse parties appear in both cases with diverse
15 interests, and everyone is on board with the exception of
16 Mr. Bryan, and it is clear that a large part of that
17 motivation is because Mr. Bryan is the target of litigation
18 and therefore doesn't have the same incentive that everyone
19 else has in the case to hold hands and sing *Cum Baya*. And
20 lastly, the one argument that Mr. St. James rejects as
21 being an improper basis for the settlement I think is the
22 most important one. The settlement avoids dissipation of
23 both estates and that is a bedrock principle of bankruptcy
24 administration.

25 So everything that I know tells me that I ought

EXHIBIT M

EXHIBIT M

EXHIBIT M

Winston & Strawn LLP
101 California Street
San Francisco, CA 94111-5894

WINSTON & STRAWN LLP

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Co-Counsel for Plaintiff,
The Official Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION**

In re:

THE LEGACY ESTATE GROUP, LLC, a
California Limited Liability Company, formerly
doing business as FREEMARK ABBEY WINERY,
BYRON VINEYARD & WINERY, AND
ARROWOOD VINEYARD & WINERY,

Debtor.

Case No. 05-14659

Chapter 11

OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF THE LEGACY ESTATE
GROUP, LLC,

Plaintiff,

v.

JOHN M. BRYAN, JOHN M. AND FLORENCE
E. BRYAN TRUST, J.M. BRYAN FAMILY
TRUST, KULWINDER SIDHU, DEVINDER
SIDHU, PACIFIC PARAGON INVESTMENT
FUND LTD., a British Columbia company,
HARRY CHEW, and AIC CAPITAL PARTNERS,
LLC, a California limited liability company,

Defendants.

Adversary Proceeding No. 06-01173

**DECLARATION OF JOHN H.
MACCONAGHY IN SUPPORT OF
PLAINTIFF'S OPPOSITION TO BRYAN
DEFENDANTS' MOTION TO CERTIFY
PROCEEDING TO DISTRICT COURT
FOR TRIAL BY JURY PURSUANT TO
BANKRUPTCY LOCAL RULE 9015-2**

HEARING DATE: February 23, 2007
TIME: 9:00 a.m.
JUDGE: Hon. Alan Jaroslovsky

**DECLARATION OF JOHN H. MACCONAGHY IN SUPPORT OF PLAINTIFF'S OPPOSITION TO BRYAN
DEFENDANTS' MOTION TO CERTIFY PROCEEDING TO DISTRICT COURTS**

Winston & Strawn LLP
101 California Street
San Francisco, CA 94111-5894

1 I, John H. MacConaghy, state:

2 1. I am an attorney admitted to the bar of this Court and am co-counsel of record for the
3 Plaintiff, the Official Committee of Unsecured Creditors of The Legacy Estate Group, LLC.

4 2. Attached to this Declaration and labeled Exhibit 1 is a correct copy of the portion of
5 the official Claims Register in this bankruptcy case (the "Main Case") showing Proofs of Claim Nos.
6 146, 125, 123, 126, 124, and 122 filed on behalf of Defendants John M. Bryan and the J.M. Bryan
7 Trust. Also contained in Exhibit 1 are the portions of the Claims Register showing Proofs of Claim
8 Nos. 145 and 139 filed on behalf of "Sycamore Vineyards."

9 3. Attached to this Declaration and labeled Exhibit 2 are correct copies of Proofs of
10 Claim Nos. 145 and 139, filed in the Main Case by "Sycamore Vineyards" care of John M. Bryan.
11 As is more fully set forth below, there is substantial evidence that the entity "Sycamore Vineyards"
12 is simply a fictitious business name utilized by Defendant the John M. and Florence E. Bryan Trust.

13 4. On February 20, 2007, I performed a nationwide "Westlaw" public record search on
14 the entity "Sycamore Vineyards", which disclosed no corporation or limited liability company of
15 that name in any state and no registered fictitious business name in the State of California.

16 5. Also on February 20, 2007, I performed a public record search at the Napa County
17 Recorder's Office. At that time, I discovered a general partnership between John M. Bryan and
18 Florence E. Bryan known as "Sycamore Vineyards", which appears to have conveyed its sole real
19 property asset to the John M. Bryan and Florence E. Bryan Trust in 1993. There appears to be no
20 public record of "Sycamore Vineyards" since that time.

21 6. Attached to this Declaration and labeled Exhibit 3 is a correct copy of the "Statement
22 of General Partnership" for Sycamore Vineyards executed on November 26, 1993 and recorded on
23 November 30, 1993.

24 7. Attached to this Declaration and labeled Exhibit 4 is a correct copy of a Grant Deed
25 from Sycamore Vineyards to "John M. Bryan, as Trustee of the John M. and Florence E. Bryan
26 Trust Dated August 19, 1991" executed on November 24, 1993 and recorded on November 30, 1993
27 concerning certain real property purportedly owned by Sycamore Vineyards (but outside any chain
28 of title) commonly known as Napa County A.P. No. 027-250-022.

Winston & Strawn LLP
101 California Street
San Francisco, CA 94111-5894

1 9. Attached to this Declaration and labeled Exhibit 5 is a correct copy of a Grant Deed
2 with respect to A.P. No. 027-250-022 from the John M. and Florence E. Bryan Trust to "John M.
3 Bryan and Florence E. Bryan, husband and wife," dated July 24, 1997 and recorded on November
4 14, 1997.

5 10. Attached to this Declaration and labeled Exhibit 6 is a correct copy of a Grant Deed
6 with respect to A.P. No. 027-250-022 and other parcels from John M. Bryan and Florence E. Bryan,
7 husband and wife, to the John M. and Florence E. Bryan Trust dated May 19, 2000 and recorded on
8 July 21, 2000.

9 11. Attached to this Declaration and labeled Exhibit 7 is a correct copy of a Grant Deed
10 with respect to A.P. No. 027-250-022 from the John M. and Florence E. Bryan Trust executed on
11 October 16, 2002 and recorded on November 4, 2002. This deed contains the notation, "Deed solely
12 recorded for loan purposes. No realty sold and/or consideration."

13 12. In addition to these public records, the Proofs of Claim themselves create a question
14 as to the nature of "Sycamore Vineyards." As to Claim No. 139, the Claims Register gives the
15 address of "Sycamore Vineyards" Attn: Alan Brudos, who is identified on Exhibits 5 and 7 as a co-
16 trustee of the John M. and Florence E. Bryan Trust. Both Claim Nos. 139 and 145 show that they
17 were executed by John M. Bryan "on behalf of Sycamore Vineyards". Neither Proof of Claim
18 identifies him as a "general partner" of Sycamore Vineyards.

19 13. Based on all of this evidence, the Plaintiff requires time to conduct discovery on
20 whether the Defendant John M. and Florence E. Bryan Trust is, in fact, the legal and/or beneficial
21 owner of the Proof of Claim Nos. 139 and 145 filed in the Main Case purportedly on behalf of
22 "Sycamore Vineyards," in which case a motion to strike the jury demands of the Bryan-related
23 Defendants may be appropriate.

24 14. I have spoken to counsel for defendant AIC Capital Partners, LLC, a California
25 limited liability company ("AIC"). I am informed and believe that AIC has not filed a proof of claim
26 against the Legacy estate. AIC's counsel advised me that AIC waives its right to a jury trial with
27 respect to the Committee's complaint.
28

1 I declare under penalty of perjury of the laws of the United States that the foregoing is true
2 and correct, that I personal first hand knowledge thereto, that if called as a witness I could and would
3 testify competently thereto and that this Declaration is executed on February 20, 2007 at Sonoma,
4 California.

5
6 
/s/ John H. MacConaghy
John H. MacConaghy

7
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9 SF:154617.1
10

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12 Winston & Strawn LLP
13 101 California Street
14 San Francisco, CA 94111-5894
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EXHIBIT 1

CANB Live Database - Modify the description for an existing claim

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| | | |
|---|---|--|
| Creditor: Imprezziv Paper Packaging Inc 138 Corwin St Suite B San Francisco CA 94114 | Claim No: 138 Filed: 03/13/2006 Entered 03/14/2006 | Status: Filed by: CR Entered by: lj Modified: |
| Unsecured claimed: \$10150.00 Total claimed: \$10150.00 | | |
| History 138-1 03/13/2006 Claim #138 filed by Imprezziv Paper Packaging Inc , total amount claimed: \$10150 (lj) | | |
| Description: | | |
| Remarks: | | |

| | | |
|---|---|--|
| Creditor: Italfoods Inc 205 Shaw Rd South San Francisco CA 94080 | Claim No: 9 Filed: 12/02/2005 Entered 12/05/2005 | Status: Filed by: CR Entered by: vj Modified: |
| Unsecured claimed: \$252.00 Total claimed: \$252.00 | | |
| History 9-1 12/02/2005 Claim #9 filed by Italfoods Inc , total amount claimed: \$252 (vj) | | |
| Description: | | |
| Remarks: | | |

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|--|---|--|
| Creditor: J M Bryan Family Trust c/o Bryan and Edwards 600 Montgomery St. 35th Fl San Francisco, CA 94111 | Claim No: 146 Filed: 03/14/2006 Entered 03/14/2006 | Status: Filed by: CR Entered by: St. James, Michael Modified: |
| Unsecured claimed: \$4033873.00 Total claimed: \$4033873.00 | | |
| History 146-1 03/14/2006 Claim #146 filed by J M Bryan Family Trust , total amount claimed: \$4033873 (St. James, Michael) | | |
| Description: | | |
| Remarks: | | |

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|---|--|--|
| Creditor: JH Bosche MDI 1930 Jackson San Francisco CA 94109 | Claim No: 97 Filed: 02/27/2006 Entered 03/02/2006 Amended By Claim No: 97 | Status: Filed by: CR Entered by: lj Modified: |
| Unsecured claimed: \$836609.27 Total claimed: \$836609.27 | | |
| History 97-1 02/27/2006 | | |

CANB Live Database - Modify the description for an existing claim

Page 23 of 55

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|---|
| Claim #97 filed by JH Bosche MDT , total amount claimed: \$850000 (lj) |
| ● 97-2 05/03/2006 Amended Claim #97 filed by JH Bosche MDT , total amount claimed: \$836609.27 (lj) |
| Description: |
| Remarks: |

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|--|--|--|
| Creditor: John M. Bryan Bryan & Edwards 600 Montgomery Street 35th Floor San Francisco, CA. 94111 | Claim No: 125 Filed: 03/09/2006 Entered: 03/09/2006 Amended By Claim No. 139 | Status: Filed by: CR Entered by: St. James, Michael Modified: 03/14/2006 |
| Secured claimed: \$497115.08 Total claimed: \$497115.08 | | |
| History 125-1 03/09/2006 Claim #125 filed by John M Bryan , total amount claimed: \$497115 08 (St. James, Michael) 139-1 03/14/2006 Claim #139 filed amending Claim #125 filed by Sycamore Vineyards , total amount claimed: \$497115.08 (St. James, Michael) | | |
| Description: | | |
| Remarks: (125-1) Creditor does not match creditor on claim . Registered participant to refile claim with correct creditor. | | |

| | | |
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| Creditor: John M. Bryan Bryan & Edwards 600 Montgomery Street 35th Floor San Francisco, CA. 94111 | Claim No: 123 Filed: 03/09/2006 Entered: 03/09/2006 | Status: Filed by: CR Entered by: St. James, Michael Modified: 03/14/2006 |
| Unsecured claimed: \$4033873.00 Total claimed: \$4033873.00 | | |
| History: 123-1 03/09/2006 Claim #123 filed by John M. Bryan , total amount claimed: \$4033873 (St. James, Michael) | | |
| Description: | | |
| Remarks: (123-1) Creditor does not match creditor on claim . Registered participant to refile claim with correct creditor. | | |

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|--|--|--|
| Creditor: John M. Bryan Bryan & Edwards 600 Montgomery Street 35th Floor San Francisco, CA. 94111 | Claim No: 126 Filed: 03/09/2006 Entered: 03/09/2006 Amends Claim No: 124 | Status: Filed by: CR Entered by: St. James, Michael Modified: 03/13/2006 |
| Secured claimed: \$1345444.89 Total claimed: \$1345444.89 | | |
| History: 124-1 03/09/2006 Claim #124 filed by John M. Bryan , total amount claimed: \$134544.89 (St. James, Michael) 126-1 03/09/2006 Claim #126 filed amending Claim #124 filed by John M. Bryan , total amount claimed: \$1345444 89 (St. James, Michael) | | |

CANB Live Database - Modify the description for an existing claim

Page 24 of 55

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| <i>Description:</i> (124-1) Incorrect amount see Amended Claim #126 (126-1) Incorrect amount entered, corrected. |
| <i>Remarks:</i> |

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| <i>Creditor:</i> John M. Bryan Bryan & Edwards 600 Montgomery Street 35th Floor San Francisco, CA. 94111 | <i>Claim No:</i> 124 <i>Filed:</i> 03/09/2006 <i>Entered:</i> 03/09/2006 <i>Amended By Claim No:</i> 126 | <i>Status:</i> <i>Filed by:</i> CR <i>Entered by:</i> St James, Michael <i>Modified:</i> 03/13/2006 |
| Unsecured claimed: \$134544.89 Total claimed: \$134544.89 | | |
| <i>History:</i> <u>124-1</u> 03/09/2006 Claim #124 filed by John M Bryan , total amount claimed: \$134544.89 (St James, Michael) <u>126-1</u> 03/09/2006 Claim #126 filed amending Claim #124 filed by John M Bryan , total amount claimed: \$134544.89 (St. James, Michael) | | |
| <i>Description:</i> (124-1) Incorrect amount see Amended Claim #126 (126-1) Incorrect amount entered, corrected. | | |
| <i>Remarks:</i> | | |

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|---|---|---|
| <i>Creditor:</i> John M. Bryan Bryan & Edwards 600 Montgomery Street 35th Floor San Francisco, CA. 94111 | <i>Claim No:</i> 122 <i>Filed:</i> 03/09/2006 <i>Entered:</i> 03/09/2006 <i>Amended By Claim No:</i> 122 | <i>Status:</i> <i>Filed by:</i> CR <i>Entered by:</i> St James, Michael <i>Modified:</i> |
| Unsecured claimed: \$20181673.85 Secured claimed: \$20181673.85 Total claimed: \$40363347.70 | | |
| <i>History:</i> <u>122-1</u> 03/09/2006 Claim #122 filed by John M. Bryan , total amount claimed: \$20181673.85 (St James, Michael) <u>122-2</u> 10/26/2006 Amended Claim #122 filed by John M Bryan , total amount claimed: \$20181673.85 (St. James, Michael) | | |
| <i>Description:</i> | | |
| <i>Remarks:</i> | | |

| | | |
|---|---|--|
| <i>Creditor:</i> John and Cathy Vicini dba Vicini Vineyard c/o Michael C Fallon 100 E St , Ste. 219 Santa Rosa, CA 95404 | <i>Claim No:</i> 69 <i>Filed:</i> 02/14/2006 <i>Entered:</i> 02/14/2006 | <i>Status:</i> <i>Filed by:</i> CR <i>Entered by:</i> Fallon, Michael <i>Modified:</i> 02/15/2006 |
| Secured claimed: \$97124.86 Total claimed: \$97124.86 | | |
| <i>History:</i> <u>69-1</u> 02/14/2006 Claim #69 filed by John and Cathy Vicini , total amount claimed: \$97124.86 (Fallon, Michael) | | |

CANB Live Database - Modify the description for an existing claim

Page 43 of 55

| | | |
|---|--|--|
| <i>Remarks:</i> | | |
| Creditor: Supreme Marketing Inc 46025 Warm Springs Blvd Freimont CA 94539 | Claim No: 22 <i>Filed:</i> 12/06/2005 <i>Entered:</i> 12/07/2005 | Status: Transfer <i>Filed by:</i> CR <i>Entered by:</i> vj <i>Modified:</i> 09/15/2006 |
| Unsecured claimed: \$699.67 Total claimed: \$699.67 | | |
| History 22-1 12/06/2005 Claim #22 filed by Supreme Marketing Inc, total amount claimed: \$699.67 (vj) 04/18/2006 Updated Claim Status (#22). Supreme Marketing Inc transfers their claim #22 to Debt Acquisition Company of America. (lj,) Status: Transfer | | |
| <i>Description.</i> (22-1) Transferred to Debt Acquisition 3/29/06 | | |
| <i>Remarks:</i> | | |
| Creditor: Sycamore Vineyards Bryan & Edwards 600 Montgomery Street 35th Floor San Francisco, CA. 94111 | Claim No: 145 <i>Filed:</i> 03/14/2006 <i>Entered:</i> 03/14/2006 <i>Amends Claim No:</i> 139 | Status: <i>Filed by:</i> CR <i>Entered by:</i> St James, Michael <i>Modified:</i> 03/14/2006 |
| Secured claimed: \$497115.08 Total claimed: \$497115.08 | | |
| History: 139-1 03/14/2006 Claim #139 filed by Sycamore Vineyards , total amount claimed: \$497115.08 (St. James, Michael) 145-1 03/14/2006 Claim #145 filed amending Claim #139 filed by Sycamore Vineyards , total amount claimed: \$497115.08 (St. James, Michael) | | |
| <i>Description.</i> | | |
| <i>Remarks:</i> (145-1) Amended to correct party information only. | | |
| Creditor: Sycamore Vineyards Attn Alan Brudos Financial Mgr 600 Montgomery St 35th Floor San Francisco CA 94111 | Claim No: 139 <i>Filed:</i> 03/14/2006 <i>Entered:</i> 03/14/2006 <i>Amends Claim No:</i> 125 <i>Amended By Claim No:</i> 145 | Status: <i>Filed by:</i> CR <i>Entered by:</i> St James, Michael <i>Modified:</i> |
| Secured claimed: \$497115.08 Total claimed: \$497115.08 | | |
| History 125-1 03/09/2006 Claim #125 filed by John M. Bryan , total amount claimed: \$497115.08 (St. James, Michael) 139-1 03/14/2006 Claim #139 filed amending Claim #125 filed by Sycamore Vineyards , total amount claimed: \$497115.08 (St. James, Michael) 145-1 03/14/2006 Claim #145 filed amending Claim #139 filed by Sycamore Vineyards , total amount claimed: \$497115.08 (St. James, Michael) | | |
| <i>Description:</i> | | |
| <i>Remarks:</i> (125-1) Creditor does not match creditor on claim Registered participant to refile claim with correct creditor | | |

CANB Live Database - Modify the description for an existing claim

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(145-1) Amended to correct party information only.

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| Creditor: Iaronsaud North America Corp 505 29th Avenue San Francisco, CA 94121 | Claim No: 103 <i>Filed:</i> 03/02/2006 <i>Entered:</i> 03/03/2006 | Status: <i>Filed by:</i> CR <i>Entered by:</i> lj <i>Modified:</i> |
| Unsecured claimed: \$16939.75 Total claimed: \$16939.75 | | |
| History: 103-1 03/02/2006 Claim #103 filed by Iaronsaud North America Corp , total amount claimed: \$16939.75 (lj) | | |
| Description: | | |
| Remarks: | | |

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|--|---|--|
| Creditor: The Bottle Meister Inc PO Box 15457 San Luis Obispo CA 93406-5457 | Claim No: 67 <i>Filed:</i> 02/06/2006 <i>Entered:</i> 02/09/2006 | Status: <i>Filed by:</i> CR <i>Entered by:</i> lj <i>Modified:</i> |
| Unsecured claimed: \$27357.77 Total claimed: \$27357.77 | | |
| History: 67-1 02/06/2006 Claim #67 filed by The Bottle Meister Inc , total amount claimed: \$27357.77 (lj) | | |
| Description: | | |
| Remarks: | | |

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|--|--|--|
| Creditor: The Compleat Winemaker 955 Vintage Ave St Helena CA 94574 | Claim No: 151 <i>Filed:</i> 03/14/2006 <i>Entered:</i> 03/15/2006 | Status: <i>Filed by:</i> CR <i>Entered by:</i> lj <i>Modified:</i> |
| Unsecured claimed: \$26854.67 Total claimed: \$26854.67 | | |
| History: 151-1 03/14/2006 Claim #151 filed by The Compleat Winemaker , total amount claimed: \$26854.67 (lj) | | |
| Description: | | |
| Remarks: | | |

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|--|--|--|
| Creditor: Tonnellerie Boutes Attn Manny Martinez 1001 Seaspac Circle Rodeo CA 94572 | Claim No: 7 <i>Filed:</i> 12/01/2005 <i>Entered:</i> 12/02/2005 | Status: <i>Filed by:</i> CR <i>Entered by:</i> kl <i>Modified:</i> |
| Unsecured claimed: \$116868.00 Total claimed: \$116868.00 | | |
| History: | | |

EXHIBIT 2

FORM B10 (Official Form 10) (Rev. 9/97)

| | | |
|--|--|--|
| United States Bankruptcy Court <u>Northern</u> District of <u>California</u> | | PROOF OF CLAIM |
| Name of Debtor: THE LEGACY ESTATE GROUP, LLC | | Case Number: 05-14659 |
| Name of Creditor (The person or entity to whom the debtor owes money or property): SYCAMORE VINEYARDS | | THIS SPACE IS FOR COURT USE ONLY |
| Name and address where notices should be sent: Bryan & Edwards 600 Montgomery Street, 35 th Floor San Francisco, CA 94111 | | |
| Telephone number: 415-421-9990 | | |
| Account or other number by which creditor identifies debtor: Check here <input type="checkbox"/> a previously filed claim, dated: _____ If this claim: <input type="checkbox"/> replaces <input type="checkbox"/> amends | | |
| 1. Basis for Claim <input checked="" type="checkbox"/> Goods sold 2005 Grape Harvest per attached Harvest Report <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other | | <input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensations (Fill out below) Your SS # _____ Unpaid compensations for services performed from _____ to _____ (date) (date) |
| 2. Date debt was incurred: 10/12/2005 | | 3. If court judgment, date obtained: |
| 4. Total Amount of Claim at Time Case Filed: \$ <u>497,115.08</u> If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges. | | |
| 5. Secured Claim. <input checked="" type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input checked="" type="checkbox"/> Other <u>grape juice</u> Value of Collateral: \$ <u>unknown</u> Amount of encumbrance and other charges at time case filed included in secured claim, if any: \$ _____ | | 6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority: \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4000)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Up to \$1800* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6). <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____). *Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment. |
| 7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. | | THIS SPACE IS FOR COURT USE ONLY |
| 8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary. | | |
| 9. Time-stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim. | | |
| Date <u>March 9, 2006</u> Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): <u>John M. Bryan on behalf of Sycamore Vineyards</u> | | |

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571

P. 3 NO. 025

BRYAN AND EDWARDS

MAR. 9. 2006 3:38PM

FREEMARK ABBEY WINERY

GROWER HARVEST STATEMENT

HARVEST YEAR: 2005

GROWER: SYCAMORE VINEYARDS

| VARIETY | 2005 | | TOTAL | | FINAL | |
|--------------------|----------------|-------------|---------------------|--------------|-------------|--|
| | TONS | PRICE/TON | PRICE | DELIVERY DTD | 50% DUE DTD | |
| CABERNET SAUVIGNON | 88.778 | \$ 5,034.13 | \$446,919.99 | 12-Oct | 26-Nov | |
| CABERNET FRANC | 5.033 | \$ 5,017.35 | \$25,252.32 | 5-Oct | 19-Nov | |
| MERLOT | 7.869 | \$ 3,360.49 | \$26,443.70 | 4-Oct | 18-Nov | |
| | <u>101.680</u> | | <u>\$498,616.01</u> | | | |

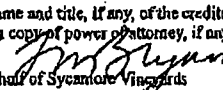
AMERICAN VINEYARD FOUNDATION (\$1/\$1,000) (\$498.62)
 DEPT OF F&A PIERCE'S ASSESSMENT (\$2/\$1,000) (\$997.23)
 DEPT OF F&A REPORT FEES (\$.05/T) (\$5.08)

NET BALANCE PAYABLE \$497,115.08

PAYMENT SCHEDULE:

| | Pmt Due Dtd | TOTAL PAYABLE |
|------|-------------|---------------------|
| 2005 | 26-Nov | \$249,308.01 |
| 2006 | 15-Jan | \$247,807.07 |
| | | <u>\$497,115.08</u> |

FORM B-10 (Official Form 10) (Rev. 9/97)

| | | | |
|---|--|---|--|
| United States Bankruptcy Court Northern District of California | | PROOF OF CLAIM | |
| Name of Debtor: THE LEGACY ESTATE GROUP, LLC | | Case Number: 05-14659 | |
| Name of Creditor (The person or entity to whom the debtor owes money or property): SYCAMORE VINEYARDS | | <input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court. | |
| Name and address where notices should be sent: Bryan & Edwards 600 Montgomery Street, 35 th Floor San Francisco, CA 94111 | | THIS SPACE IS FOR COURT USE ONLY | |
| Telephone number: 415-421-9990 | | | |
| Account or other number by which creditor identifies debtor: | | Check here <input type="checkbox"/> a previously filed claim, dated: _____ if this claim: replaces <input type="checkbox"/> amends | |
| 1. Basis for Claim <input checked="" type="checkbox"/> Goods sold 2605 Grape Harvest per attached Harvest Report <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other | | <input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensations (Fill out below) Your SS #: _____ Unpaid compensations for services performed from _____ (date) to _____ (date) | |
| 2. Date debt was incurred: 10/12/2005 | | 3. If court judgment, date obtained: | |
| 4. Total Amount of Claim at Time Case Filed: If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges. | | \$ 497,115.08 | |
| 5. Secured Claim. <input checked="" type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input checked="" type="checkbox"/> Other <u>grape juice</u> Value of Collateral: \$ <u>unknown</u> Amount of unsecured and other charges at time case filed included in secured claim, if any: \$ _____ | | 6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim. Amount entitled to priority: \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4000),* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3) <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4) <input type="checkbox"/> Up to \$1800* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6) <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7) <input type="checkbox"/> Taxes or penalties to governmental units - 11 U.S.C. § 507(a)(8) <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____). *Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to claims commenced on or after the date of adjustment. | |
| 7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. | | THIS SPACE IS FOR COURT USE ONLY | |
| 8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary. | | | |
| 9. Time-stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim. | | | |
| Date March 9, 2006 | Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any):  John M. Bryan on behalf of Sycamore Vineyards | | |
| Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571. | | | |

P.3 NO.025

BRYAN AND EDWARDS

3:38PM

MAR 9 '06

FREEMARK ABBEY WINERY
GROWER HARVEST STATEMENT

HARVEST YEAR: 2005
GROWER: SYCAMORE VINEYARDS

| VARIETY | 2005 | | TOTAL | | FINAL | |
|--------------------|----------------|-------------|---------------------|--------------|-------------|--|
| | TONS | PRICE/TON | PRICE | DELIVERY DTD | 50% DUE DTD | |
| CABERNET SAUVIGNON | 88.778 | \$ 5,034.13 | \$446,919.99 | 12-Oct | 26-Nov | |
| CABERNET FRANC | 5.033 | \$ 5,017.35 | \$25,252.32 | 5-Oct | 19-Nov | |
| MERLOT | 7.869 | \$ 3,360.49 | \$26,443.70 | 4-Oct | 18-Nov | |
| | <u>101.680</u> | | <u>\$498,616.01</u> | | | |

AMERICAN VINEYARD FOUNDATION (\$1/\$1,000) (\$498.62)
 DEPT OF F&A PIERCE'S ASSESSMENT (\$2/\$1,000) (\$997.23)
 DEPT OF F&A REPORT FEES (\$5/T) (\$5.08)

NET BALANCE PAYABLE \$497,115.08

PAYMENT SCHEDULE:

| | Pmt Due Dtd | TOTAL PAYABLE |
|------|-------------|---------------------|
| 2005 | 26-Nov | \$249,308.01 |
| 2006 | 15-Jan | \$247,807.07 |
| | | <u>\$497,115.08</u> |

EXHIBIT 3

Recording Requested By

And When Recorded Mail To:

John M. Bryan
600 Montgomery St. 3
San Francisco, CA 941



1993 038880
OFFICIAL RECORDS OF
NAPA COUNTY
H. KATHLEEN BONDS

AT REQUEST OF: NAPA LAND TITLE COMPANY
11/30/1993 11:56 AM
Fee: \$ 17.00 Pgs: 5
TT: \$.00

STATEMENT OF GENERAL PARTNERSHIP

The name of this partnership is **SYCAMORE VINEYARDS**, a general partnership. The partners are John M. Bryan and Florence E. Bryan. The partners named in this statement are all of the partners.

Any partner named in this statement, either alone, or in combination with any other partner named in this statement, may convey title to any real property held in the partnership named by a conveyance as defined in Section 15010.5(2) of the California Corporations Code executed in the partnership name.

Dated: 11/26/93

John M. Bryan
John M. Bryan, General Partner

Dated: 11/26/93

Florence E. Bryan
Florence E. Bryan, General Partner

OLD REPUBLIC TITLE

ID:415-397-0199

NOV 24 '93

16:49 No.025 P.06

Verification:

State of California }
County of SAN FRANCISCO } ss.

The undersigned, being duly sworn says: that he/she
is JOHN M. BRYAN, that he/she has said the
same, and knows the contents thereof, and that the
facts stated therein are true.

John M. Bryan
Signature of Affiant
JOHN M. BRYAN

Subscribed and sworn to before me on

November 29, 1993
Date

Margaret E. Reed
Notary's signature



Notary Public in and for the County
of SAN FRANCISCO

OLD REPUBLIC TITLE

ID:415-397-0199

NOV 24'93 16:49 No.025 P.06

Verification:

State of California }
County of SAN FRANCISCO } ss.

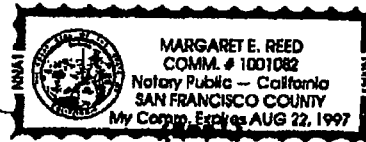
The undersigned, being duly sworn says: that he/she
is FLORENCE E. BRYAN, that he/she has said the
same, and knows the contents thereof, and that the
facts stated therein are true.

Florence E. Bryan
Signature of Affiant
FLORENCE E. BRYAN

Subscribed and sworn to before me on

November 29, 1993
Date

Margaret E. Reed
Notary's signature



Notary Public in and for the County
of SAN FRANCISCO

OLD REPUBLIC TITLE

ID:415-397-0199

NOV 24'93

16:48 No.025 P.05

State of California

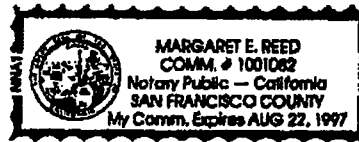
County of SAN FRANCISCO

On November 29, 1993 before me, the undersigned, a Notary Public in and for said State, personally appeared John M. Bryan

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Margaret E. Reed
Name MARGARET E. REED
(typed or printed)



(Seal)

NOV 24 93 10:46 AM 025 F.05

END OF DOCUMENT

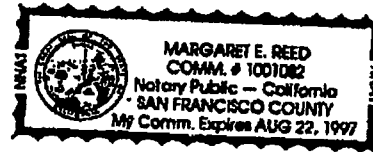
State of California
County of SAN FRANCISCO

On November 29, 1993 before me, the undersigned, a Notary Public in and
for said State, personally appeared FLORENCE E. BRYAN

personally known to me (or proved to me on the basis of satisfactory evidence)
to be the person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument.

WITNESS my hand and official seal.

Signature Margaret E. Reed
Name MARGARET E. REED
(typed or printed)



(Seal)

EXHIBIT 4

RECORDING REQUESTED BY
 ORDER Napa Land Title Company
 601104 / Esc #316677-JK
 APN 027-250-022
 WHEN RECORDED MAIL TO

Name John M. Bryan
 Street Address 600 MONTGOMERY STREET, 35th Fl
 City & State SAN FRANCISCO, CA 94111



1993 038881
 OFFICIAL RECORDS OF
 NAPA COUNTY
 H. KATHLEEN BONDS

AT REQUEST OF: NAPA LAND TITLE COMPANY
 11/30/1993 11:56 AM
 Fee: \$ 8.00 Pgs: 2
 TT: \$.00

SPACE ABOVE THIS LINE FOR RECORDERS USE

Grant Deed

The undersigned grantor(s) declare(s):

Documentary transfer tax is \$ -0-

- (X) computed on full value of property conveyed, or
 () computed on full value less value of liens and encumbrances remaining at time of sale
 (X) Unincorporated area: () City of _____
 () Realty not sold.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
 Sycamore Vineyards, a partnership

hereby GRANT(S) to John M. Bryan, as Trustee of the John M. and Florence E. Bryan
 Trust Dated August 19, 1991

that property in the City of Rutherford, Napa
 State of California, described as:

County,

* * * See "Exhibit A" attached hereto and made a part hereof. * * *

Mail tax statements to Grantee at address above

Date November 12, 1993

Sycamore Vineyards

STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

On November 24, 1993 before me, the
 undersigned, a Notary Public in and for said State, personally appeared
John M. Bryan

John M. Bryan

personally known to me (or proved to me on the basis of satisfactory
 evidence) to be the person(s) whose name(s) is/are subscribed to the within
 instrument and acknowledged to me that he/she/they executed the same in
 his/her/their authorized capacity(ies), and that by his/her/their signature(s) on
 the instrument the person(s), or the entity upon behalf of which the person(s)
 acted, executed the instrument.

WITNESS my hand and official seal.

Signature Gordon Ampel
 Name Gordon Ampel
 (typed or printed)



(This area for official notarial seal)

PTGS-100001

MAIL TAX STATEMENTS AS DIRECTED ABOVE

END OF DOCUMENT

EXHIBIT "A"

PARCEL ONE:

Commencing at a nail and tag marked RCE 10648 at the intersection of the Westerly line of the San Francisco, Vallejo, and Napa Valley Railroad right of way and the centerline of the County Road known as "Bella Oaks Lane"; thence South 44° 45' West 1995.27 feet along said centerline to a nail and tag marked RCE 10648; thence South 35° 05' East along the centerline of a 25 foot right of way the sidelines which are shortened or prolonged to intersect the lines of the Parcel to be described herein and the Southerly line of Bella Oaks Lane, 106.00 feet to a nail and tag marked RCE 10648 being the true point of beginning; thence South 47° 55' West 248.82 feet to an iron pipe monument marked RCE 10648; thence South 43° 32' 30" East 275.29 feet to an iron pipe monument marked RCE 10648; thence South 63° 02' 30" East 129.11 feet to an iron pipe monument marked RCE 10648; thence North 44° 58' East 151.43 feet to an iron pipe monument marked RCE 10648; thence North 19° 14' West 91.62 feet to an iron pipe monument marked RCE 10648; thence North 46° 07' 45" East 248.63 feet to an iron pipe monument marked RCE 10648; thence North 41° 20' 45" West 156.90 feet to an iron pipe monument marked RCE 10648; thence South 48° 29' 45" West 118.07 feet to an iron pipe monument marked RCE 10648; thence North 74° 36' West 136.84 feet to the true point of beginning.

PARCEL TWO:

TOGETHER WITH a Right of Way for road and utility purposes 25 feet in width as described in the Judgement of Preliminary Distribution, recorded June 1, 1969 in Book 652 of Official Records at Page 911, Napa County Records.

APN: 027-250-022

JMB

EXHIBIT 5

RECORDING REQUESTED BY
 NORTH AMERICAN TITLE COMPANY
 Escrow No M908263 Order No. 901315
 AND WHEN RECORDED MAIL TO

Name John M. Bryan
 Alan R. Brudos
 Street 600 Montgomery St. 35th Fl
 Address San Francisco, Ca. 94111

City &
 State

901 315



1997 026953
 OFFICIAL RECORDS OF
 NAPA COUNTY
 H. KATHLEEN BONDS

AT REQUEST OF NORTH AMERICAN TITLE CO.
 11/14/1997 08:00 AM
 Fee: \$ 10.00 Pgs: 2
 TT: \$.00

SPACE ABOVE THIS LINE FOR RECORDER'S USE

INDIVIDUAL GRANT DEED

A.P.N. 027-250-220

The undersigned grantor(s) declare(s):

Documentary transfer tax is \$ 0.00

City Transfer Tax is \$

() computed on full value of property conveyed, or
 () computed on full value less value of liens and encumbrances remaining at time of sale.

() Unincorporated area: (x) City of Rutherford, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, John M. Bryan and Alan R. Brudos, Co Trustees of The John M. and Florence E. Bryan Trust dated August 19, 1991

hereby GRANT(S) to John M. Bryan and Florence E. Bryan, husband and wife
 as Community property

the following described real property in the Rutherford
 County of Napa, State of California:

See Legal Description attached hereto and made a part hereof

Dated: July 24, 1997

STATE OF CALIFORNIA } SS.

COUNTY OF SAN FRANCISCO }

On August 1, 1997 before me,

MARGARET E. REED, personally appeared

John M. Bryan and Alan R. Brudos

as

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature

MAIL TAX

STATEMENTS TO:

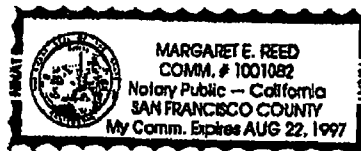
SAME AS ABOVE

NAME

ADDRESS

CITY/STATE/ZIP

John M. Bryan, Co Trustee
 Alan R. Brudos, Co Trustee



(This area for official notarial seal)

END OF DOCUMENT

DESCRIPTION:

The land referred to herein is situated in the State of California, County of NAPA, City of RUTHERFORD, and is described as follows:

PARCEL ONE:

COMMENCING AT A NAIL AND TAG MARKED RCE 10648 AT THE INTERSECTION OF THE WESTERLY LINE OF THE SAN FRANCISCO, VALLEJO, AND NAPA VALLEY RAILROAD RIGHT OF WAY AND THE CENTERLINE OF THE COUNTY ROAD KNOWN AS "BELLA OAKS LANE"; THENCE SOUTH 44° 45' WEST 3995.27 FEET ALONG SAID CENTERLINE TO A NAIL AND TAG MARKED RCE 10648; THENCE SOUTH 35° 25' EAST ALONG THE CENTER LINE OF A 25 FOOT RIGHT OF WAY THE SIDE LINES WHICH ARE SHORTENED OR PROLONGED TO INTERSECT THE LINES OF THE PARCEL TO BE DESCRIBED HEREIN AND THE SOUTHERLY LINE OF BELLA OAKS LANE, 106.00 FEET TO A NAIL AND TAG MARKED RCE 10648; BEING THE TRUE POINT OF BEGINNING; THENCE, SOUTH 47° 55' WEST 248.82 FEET TO AN IRON PIPE MONUMENT MARKED RCE 10648; THENCE SOUTH 43° 32' 30" EAST 275.29 FEET TO AN IRON PIPE MONUMENT MARKED RCE 10648; THENCE SOUTH 63° 02' 30" EAST 129.11 FEET TO AN IRON PIPE MONUMENT MARKED RCE 10648; THENCE, NORTH 44° 58' EAST 151.43 FEET TO AN IRON PIPE MONUMENT MARKED RCE 10648; THENCE, NORTH 19° 14' WEST 91.62 FEET TO AN IRON PIPE MONUMENT MARKED RCE 10648; THENCE, NORTH 46° 07' 45" EAST 248.63 FEET TO AN IRON PIPE MONUMENT MARKED RCE 10648; THENCE NORTH 41° 20' 45" WEST 156.90 FEET TO AN IRON PIPE MONUMENT MARKED RCE 10648; THENCE, SOUTH 48° 29' 45" WEST 118.07 FEET TO AN IRON PIPE MONUMENT MARKED RCE 10648; THENCE, NORTH 74° 36' WEST 136.34 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL TWO:

A RIGHT OF WAY FOR ROAD AND UTILITY PURPOSES, 25 FEET IN WIDTH AS DESCRIBED IN THE JUDGEMENT OF PRELIMINARY DISTRIBUTION RECORD JUNE 1, 1962 IN BOOK 652 OF OFFICIAL RECORDS AT PAGE 911, NAPA COUNTY RECORDS.

ASSESSORS PARCEL NO. 027-250-220



EXHIBIT 6

FIRST AMERICAN TITLE COMPANY
OF NAPA

(12)

Order No: 115798-11

2000-0018455

When recorded mail to:

JOHN M. BRYAN
600 MONTGOMERY STREET
SAN FRANCISCO, CA. 94111-2702Recorded
Official Records
County Of
NAPA
JOHN TUTEUR
Recorder

REC FEE 13.00

08:00AM 21-Jul-2000

SV
Page 1 of 3

For Recorder's Use Only

MAIL TAX STATEMENTS TO:

SAME AS ABOVE

THE UNDERSIGNED GRANTOR DECLARES

DOCUMENTARY TRANSFER TAX \$ -0-

— Computed on the consideration or value of property conveyed; OR

— Computed on the consideration or value less liens or encumbrances remaining at time of sale.

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

JOHN M. BRYAN AND FLORENCE E. BRYAN, husband and wife

hereby GRANT(S) to

JOHN M. BRYAN AND ALAN R. BRUDOS, Co-Trustees of the JOHN M. AND FLORENCE E. BRYAN TRUST dated August 19, 1991

the real property in the County of Napa, State of California, described as

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF
AND DESIGNATED EXHIBIT "A"Dated: May 19, 2000

STATE OF CALIFORNIA

COUNTY OF San Francisco } ssOn May 23, 2000, before me,
Rica L. Gatchalian, Notary Public personally
appeared JOHN M. BRYAN AND FLORENCE E. BRYAN,
personally known to me (or proved to me on the basis of satisfactory
evidence) to be the person(s) whose name(s) is/are subscribed to the
within instrument and acknowledged to me that he/she/they executed
the same in his/her/their authorized capacity(ies) and that by
his/her/their signature(s) on the instrument the person(s), or the entity
upon behalf of which the person(s) acted, executed the instrument

WITNESS my hand and official seal

Signature Rica L. Gatchalian
Notary PublicJohn M. Bryan
JOHN M. BRYAN
Florence E. Bryan
FLORENCE E. BRYAN

MAIL TAX STATEMENTS AS DIRECTED ABOVE

Form NAP1097SP

EXHIBIT "A"

PARCEL ONE:

Commencing at the most westerly corner of that certain tract of land described in the deed to NAPA/KS 1994 TRUST, u/a dated October 24, 1994, John M. Bryan Trustee, recorded November 15, 1994 under Series Number 1994 033763 of Official Records of Napa County; thence along the northwesterly line thereof North 44°40' East a distance of 392 feet to a point on the western boundary line of the Caymus Rancho at an iron stake which marks the most westerly corner of the 106.93 acre tract of land conveyed by Clarence N. Riggins, Administrator of the Estate of Mary A. Doak, deceased to Arthur W. Bennett by Deed recorded July 8, 1926 in Book 18 at Page 455 of Official Records of Napa County; thence along the northwesterly line of said lands of Bennett North 45°20' East 80.50 feet to an angle point which forms the northwestern line of that certain tract of land described in the deed to John M. Bryan, Trustee of the NAPA/AA 1994 Trust, u/a dated 10/24/94, recorded December 13, 1999 under Series Number 1999-0037525 of Official Records of Napa County; thence along the northwestern line thereof North 45°20' East a distance of 604.46 feet to the Point of Beginning; thence continuing along the boundary of the lands of the NAPA/AA 1994 Trust the following courses and distances: S43°47'49"E 352.00 feet, S64°42'13"E 155.29 feet to an iron pipe monument marked "RCE 10648", N45°44'58"E 151.43 feet to an iron pipe monument marked "RCE 10648", N19°14'W 91.62 feet to a ¾" iron pipe monument marked "RCE 10648", N46°07'45"E 248.63 feet to an iron pipe monument marked "RCE 10648", N41°20'45"W 156.90 feet to an iron pipe monument marked "RCE 10648", S48°29'36"W 118.07 feet to an iron pipe monument marked "RCE 10648", N74°36'00"W 178.26 feet, N45°10'05"W 103.36 feet, more or less, to a point on the northwestern line of that certain tract of land described in the deed to NAPA/KS 1994 TRUST, u/a dated 10/24/94, John M. Bryan Trustee; recorded November 15, 1994 under Series Number 1994 033769 of Official Records of Napa County; thence along said northwestern line and the Southwesterly prolongation thereof, South 45°20' West a distance of 290.20 feet, more or less, to the Point of Beginning.

APN: 027-250-022; Portions of 027-250-040 & 027-250-043

PARCEL TWO:

An easement for the maintenance, repair and replacement of an existing septic leach field, described as follows:

Beginning at the southwesterly terminus of that certain course of Parcel One above shown as "S48°29'36"W 118.07 feet"; thence along the northeasterly boundary of said Parcel One above described N74°36'00"W 178.26 feet and N45°10'05"W 33.36 feet; thence N44°49'55"E 87.06 feet, more or less, to a point which is N45°10'05"W from the Point of Beginning; thence S45°10'05"E 188.92 feet, more or less, to the Point of Beginning.

PARCEL THREE:

A non-exclusive easement for the maintenance, repair and replacement of an existing septic leach field, 10 feet in width, described as follows:

Beginning at the northwesterly terminus of that certain course called "N45°10'05"W 103.36 feet" described in PARCEL ONE above, said point being on the northwesterly boundary of that certain tract of land described in deed to John M. Bryan, Trustee of the NAPA/AA 1994 Trust, u/a dated 10/24/94, recorded December 13, 1999 under Series Number 1999-0037525 of Official Records of Napa County; thence along the northwesterly

END OF DOCUMENT

FATCO/BRYAN FAMILY TRUST
115798-11

boundary thereof N45°20'E 205.00 feet; thence leaving said northwesterly boundary S45°10'05"E 10.00 feet; thence S45°20'W 205.00 feet, more or less, to a point on the northeasterly boundary of PARCEL ONE above; thence along said northeasterly line N45°10'05"W 10.00 feet to the point of beginning.

EXHIBIT 7



2002-0044683

RECORDING REQUESTED BY:
Napa Land Title

AND WHEN RECORDED MAIL TO:

Mr. and Mrs. John M. Bryan
10 Requa Place
Piedmont, CA 94611

Recorded
Official Records
County Of
Napa
JOHN TUTEUR
Recorder

REC FEE 10.00

08:00AM 04-Nov-2002 EV
Page 1 of 2

027-250-052

THIS SPACE FOR RECORDER'S USE ONLY:
Escrow No.: 26354278

Title Order No.: 608-548

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)
DOCUMENTARY TRANSFER TAX is \$NONE **

☒ computed on full value of property conveyed, or
☐ computed on full value less value of liens or encumbrances remaining at time of sale.
☒ Unincorporated area | City of Napa AND

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
John M. Bryan and Alan R. Brudos, co-trustees of The John M. and Florence E. Bryan Trust dated
August 19, 1991

hereby GRANT(s) to:
John M. Bryan and Florence E. Bryan, Husband and Wife as Community Property

the real property in the County of Napa, State of California, described as:
LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF
Also Known as: 1399 Bella Oaks Lane, Napa, CA 94558
AP#: 027-250-052
**Deed solely recorded for loan purposes. No realty sold and/or consideration.

DATED October 16, 2002
STATE OF CALIFORNIA
COUNTY OF San Francisco Co
On 10-17-2002
Before me, Damien Wayne Ha
A Notary Public in and for said State, personally appeared
John M. Bryan
Alan R. Brudos

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument
WITNESS my hand and official seal.

Signature [Signature]

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE

(This area for official notarial seal)

SEAL AFFIXED

DAMIEN WAYNE HA
COMM. #1320570
NOTARY PUBLIC-CALIFORNIA
SANTA CLARA COUNTY
My Comm. Expires Sept. 10, 2005

END OF DOCUMENT

Exhibit "A"

Legal Description

PARCEL ONE: Commencing at the most Westerly corner of that certain tract of land described in the deed to NAPA/KS 1994 TRUST, u/a dated October 24, 1994, John M. Bryan Trustee, recorded November 15, 1994 under Series Number 1994-033763 of Official Records of Napa County; thence along the Northwestern line thereof North 44° 40' East a distance of 392 feet to a point on the Western boundary line of the Caymus Rancho at an iron stake which marks the most Westerly corner of the 106.93 acre tract of land conveyed by Clarence N. Riggins, Administrator of the Estate of Mary A. Doak, deceased to Arthur W. Bennett by Deed recorded July 08, 1926 in Book 18 at Page 455 of Official Records of Napa County; thence along the Northwestern line of said lands of Bennett North 45° 20' East 80.50 feet to an angle point which forms the Northwestern line of that certain tract of land described in the Deed to John M. Bryan, Trustee of the NAPA/AA 1994 Trust, u/a dated 10/24/94, recorded December 13, 1999 under Series Number 1999-0037525 of Official Records of Napa County; thence along the Northwestern line thereof North 45° 20' East a distance of 604.46 feet to the Point of Beginning; thence continuing along the boundary of the lands of the NAPA/AA 1994 Trust the following courses and distances: S43° 47' 49" E 352.00 feet, S64° 42' 13" E 155.29 feet to an iron pipe monument marked "RCE 10648", N45° 44' 58" E 151.43 feet to an iron pipe monument marked "RCE 10648", N19° 14' W 91.62 feet to a ¾" iron pipe monument marked "RCE 10648", N46° 07' 45" E 248.63 feet to an iron pipe marked RCE 10648", N 41° 20' 45" W 156.90 feet to an iron pipe monument marked "RCE 10648", S48° 29' 36" W 118.07 feet to an iron pipe monument marked "RCE 10648", N74° 36' 00" W 178.26 feet, N 45° 10' 05" W 103.36 feet, more or less, to a point on the Northwestern line of that certain tract of land described in the Deed to NAPA/KS 1994 TRUST, u/a dated 10/24/94, John M. Bryan Trustee; recorded November 15, 1994 under Series Number 1994-033769 of Official Records of Napa County; thence along said Northwestern line and the Southwesterly prolongation thereof, South 45° 20' West a distance of 290.20 feet, more or less, to the Point of Beginning.

APN: 027-250-052

PARCEL TWO: An easement for the maintenance, repair and replacement of an existing septic leach field, described as follows:

Beginning at the Southwesterly terminus of that certain course of Parcel One above shown as "S48° 29' 36" W 118.07 feet"; thence along the Northeasterly boundary of said Parcel One above described N 74° 36' 00" W 178.26 feet and N 45° 10' 05" W 33.36 feet; thence N 44° 49' 55" E 87.06 feet, more or less, to a point which is N 45° 10' 05" W from the Point of Beginning; thence S 45° 10' 05" E 188.92 feet, more or less, to the Point of Beginning.

PARCEL THREE: A non-exclusive easement for the maintenance, repair and replacement of an existing septic leach field, 10 feet in width, described as follows:

Beginning at the Northwestern terminus of that certain course called "N45° 10' 05" W 103.36 feet" described in PARCEL ONE above, said point being on the Northwestern boundary of that certain tract of land described in Deed to John M. Bryan, Trustee of the NAPA/AA 1994 Trust, u/a dated 10/24/94, recorded December 13, 1999 under Series Number 1999-0037525 of Official Records of Napa County; thence along the Northwestern boundary thereof N 45° 20' E 205.00 feet; thence leaving said Northwestern boundary S 45° 10' 05" E 10.00 feet; thence S 45° 20' W 205.00 feet, more or less, to a point on the Northeasterly boundary of PARCEL ONE above; thence along said Northeasterly line N 45° 10' 05" W 10.00 feet to the point of beginning.